

STATUTE

OF THE ENTREPRENEURS AND EMPLOYERS UNION CONSOLIDATED TEXT

(adopted by the Resolution of the Management Board dated 22 June 2015)

I. GENERAL PROVISIONS

§ 1.

1. The Union known as the Entrepreneurs and Employees Union, hereinafter referred to as the Union, is a voluntary, independent, self-governing and sustainable trade organisation of micro, small and medium entrepreneurs.
2. The Union operates based on the provisions of the Act on organisations of employers (Journal of Laws No. 55 of 1991, item 235 with further amendments).
3. Micro, small and medium enterprises are defined in the Act dated 2 July 2004 (consolidated text of 2013, Journal of Laws of 2013, item 672) on freedom of business activity. They are natural and legal persons or organisational units conducting business activity, employing no more than 250 employees and reaching annual turnover not exceeding EUR 50 million.

§ 2.

1. The registered office of the Union and its authorities is Warsaw.
2. The Union has legal personality.

§ 3.

1. The Union conducts business activity within the area of the Republic of Poland.
2. The Union may also conduct business activity outside the Republic of Poland, in particular, in other countries of the European Union.

§ 4.

The Union may join and be a member of national and international organisations of employers which have similar objectives and nature.

§ 5.

The duration of the Union is unlimited.

II. OBJECTIVES AND TASKS OF THE UNION

§ 6.

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1. The objectives and task of the Union are: representation of interests of the associate Members towards governmental authorities and administration and local public authorities as well as authorities of the European Union and protection of their rights and economic freedom.

2. The Union implements its objectives and tasks through:

- 1) preparation of the strategy of the Union's activity,
- 2) conducting consultations among entrepreneurs in the scope of using economic law, labour law and social insurances or draft legislations,
- 3) presenting the opinions and stance of the Union on matters pertaining to economic activity of the entrepreneurs to the authorities, public administration or political and social organisations,
- 4) organisation of meetings, conferences, trainings and lectures aiming at activation and education of entrepreneurs,
- 5) cooperation and mutual assistance for the members of the Union,
- 6) cooperation with other organisations, the objectives of which are similar with the objectives of the Union,
- 7) organisational and economic consulting for the members of the Union,
- 8) conducting activity integrating the members of the Union.

§ 7.

1. The Union implements its statutory objectives also through conducting business activity, individually or through appointment of economic entities and common activities with other entities on the basis of civil law agreements.

2. Economic activity may cover:

- 1) conducting trainings,
- 2) conducting Internet websites,
- 3) conducting consultancy activity,
- 4) joining other companies,
- 5) conducting club and restaurant activity,
- 6) conducting bookshops,
- 7) providing research services,
- 8) capital investments.

3. The income achieved from the business activity is fully dedicated to implementation of statutory objectives of the Union.

III. MEMBERSHIP IN THE UNION – RIGHTS AND DUTIES

§ 8.



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1. Membership in the Union can be of ordinary (Member) or supporting (Supporting Member).
2. A Member of the Union can be each micro, small and medium entrepreneur or other associations, unions and federations of employers operating within the Republic of Poland.
3. Admission to the Union takes place on the basis of the Resolution of the Management Board, after previous submission of a membership declaration by the interested party and paying an annual membership subscription.
4. Members who are not natural persons are represented in the Union by their empowered representatives.
5. In case of refusal of admission to the Union, the interested party may appeal to the Supervisory Board within 14 days from the date of delivery of the resolution of the Management Board. The resolution of the Supervisory Board is final.

§ 9.

1. An entrepreneur who is not a micro, small and medium entrepreneur can be a Supporting Member. Membership is acquired through making a written declaration of intent by the entrepreneur, in which he or she determines a manner of supporting the activity of the Union. The declaration must be signed by persons authorised to represent the candidate. Accepting candidacy occurs through a resolution of the Management Board of the Union.
2. A supporting member can apply to leave the Union. The Management Board of the Union can adopt a resolution on exclusion of the Supporting Member if his or her activity is incompatible with the Statute of the Union or acts to the detriment of the Union.
3. Supporting Members have the same rights as the Members of the Union; however, they do not exercise active and passive voting right.

§ 10.

1. The Members of the Union have equal rights and duties.
2. The Members of the Union are obliged to:
 - 1) take care of good name of the Union,
 - 2) contribute to increase of the role and importance of the Union,
 - 3) observe the Statute and resolutions of the authorities of the Union,
 - 4) promote and actively support the objectives of the Union,
 - 5) regularly pay membership subscriptions,
 - 6) seek improvement of the image of an entrepreneur and entrepreneurship in the public opinion,
 - 7) observe the principles of common assistance and norms of the union's solidarity and mutual respect.
3. The Union cannot infringe the autonomy of the Members or interfere in their external matters.



Certified translation from Polish

§ 11.

1. A Member of the Union is entitled to:

- 1) actively participate in the life of the union, in particular, in the union's works and meetings,
 - 2) submit applications pertaining to activity of the Union and to be informed about the decisions of the Union on a regular basis,
 - 3) obtain a proof of membership in the Union and all emblems of the Union,
 - 4) submit applications to competent authorities of the Union in all matters pertaining to objectives and functions of the Union,
 - 5) use assistance and protection of the Union in his or her activity,
 - 6) obtain support from the Union in seeking his or her rights under principles determined by the Management Board,
 - 7) use trademark of the Union under principles specified by the Management Board,
 - 8) vote on the General Meeting of Members and extraordinary meetings.
2. The Members of the Union are entitled to active and passive voting rights for authorities of the Union

§ 12.

1. Removal from the list of the Members of the Union occurs due to:

- 1) death or loss of citizenship rights as a result of legally binding court judgment (pertains to natural persons),
 - 2) removal from a relevant register (pertains to legal person),
 - 3) declaration of bankruptcy or commencement of liquidation (legal person),
 - 4) receipt of a written resignation by the Management Board,
 - 5) exclusion due to:
 - a) conducting business activity contrary to the Statute and resolutions of the authorities of the Union,
 - b) evasion from participation in the works of the Union,
 - c) activities that have a negative impact on the image of the Union,
2. Loss of membership is confirmed by a resolution of the Management Board.
3. In case of being in arrears with payments of membership subscription for a period exceeding 90 days, the removal from the list of the Memberships of the Union occurs automatically unless the Management Board decides otherwise in a resolution.

§ 13.

1. A Member may appeal against a resolution of the Management Board stating loss of membership to the Supervisory Board. The resolution of the Supervisory Board is final.
2. In case of losing membership on the basis of § 12 section 1 point 5 letter c, re-admission to the Union may occur only after paying the outstanding membership subscription.



IV. AUTHORITIES OF THE UNION

§ 14.

1. The authorities of the Union are:

- 1) the General Meeting of Members,
- 2) the Management Board,
- 3) the Supervisory Board.

2. In case the Union consists of more than 200 members, the General Meeting of Members by a decision of the Management Board can be replaced by a General Meeting of Delegates. A detailed mode and principles of selection of delegates, similarly to the remaining authorities of the Union, shall be determined by the regulations adopted by the Management Board.

§ 15.

1. The supreme authority of the Union is the General Meeting of Members (Delegates).

2. The competences of the General Meeting include in particular:

- 1) selecting and dismissing Members of the Supervisory Board,
- 2) adopting an action programme of the Union,
- 3) adopting regulations of sessions of the General Meeting,
- 4) examining and confirming reports in cases presented by the Management Board,
- 5) appointing and dismissing members of Arbitration by fellow Members,
- 6) adopting amendments of this Statute,
- 7) dissolution of the Union,
- 8) examining appeals against decisions of the Arbitration by fellow Members,
- 9) examining appeals against resolutions of the Management Board made by the Members of the Union or the Supervisory Board,
- 10) applying for dismissal of the Management Board of the Union to the Supervisory Board,
- 11) examining appeals against refusal to accept application for admission to the Union.

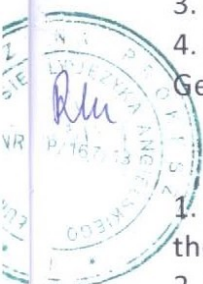
3. The Members of the Union participate in the General Meeting of Members (Delegates).

4. Supporting Members and guests invited by the Management Board may participate in the General Meeting of Members (Delegates).

§ 16.

1. The General Meeting of Members (Delegates) is convened by the Management Board of the Union no less than every 3 years.

2. While convening the General Meeting of Members, the President of the Management Board informs all Members about the time, place and proposals of agenda no later than 14 days prior to its beginning. A notification is sent via registered letter or confirmed fax or confirmed message sent via E-mail).



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3. At least half of the Members (Delegates) entitled to voting participate in the General Meeting of Members. In case there is no quorum, the President of the Management Board determines another term. In the second term, the General Meeting of Members (Delegates), subject to section 5, can effectively debate regardless of the number of participants. In order for the voting to be valid, simple majority of those present Members entitled to voting is required.
4. In matters connected with amendment of the Statute, dismissal of members of the Arbitration by fellow Members, resolutions are adopted by a qualified majority of 2/3 votes present at the General Meeting of Members (Delegates).
5. In cases pertaining to changing the composition of the Supervisory Board during the term of office and dissolution of the Union, resolutions are adopted in the presence of at least 2/3 of the Members of the Union by qualified majority of 2/3 votes.
6. Resolutions of the General Meeting can be adopted only in matters covered by the agenda.

§ 17.

1. Extraordinary Meeting can be convened by the Management Board of the Union:
 - 1) upon initiative of the Management Board,
 - 2) upon request of the Supervisory Board,
 - 3) upon written request of at least 30% of the members of the General Meeting of Member (Delegates),
 - 4) upon written request of the Council of Advocates.
2. Persons applying for convening the Extraordinary Meeting shall determine matters which will be the subject of the agenda, provision of § 16. section 2 shall apply accordingly.
3. The Extraordinary Meeting must take place no later than within 60 days from the date of receipt of the application for convention of the Management Board.
4. § 16 section 6 shall apply accordingly.

§ 18.

1. The Management Board directs ongoing work of the Union.
2. The Management Board may create an office of the Management Board.
3. Additionally, the competences of the Management Board include:
 - 1) accepting new Members and Supporting Members,
 - 2) convening the General Meeting,
 - 3) determining the amount of membership subscription and enforcement thereof,
 - 4) adopting and implementing annual business plans of the Union and determining directions of property and financial management and budget of the Union, performing amendments in the budget if the Union needs it,
 - 5) appointing problem committees, determining principles and scope of their activity,
 - 6) appointing and dismissing the Advocates of the Union,
 - 7) supervising the activity of the office of the Management Board,



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- 9) controlling ongoing and annual activity of the Union, in particular, its financial economy, examination of accounting documents and compliance of expenditures with the budget of the Union,
 - 10) undertaking decisions on creation of funds of the Union within current budget and adoption of their regulations,
 - 12) undertaking decisions on disposal and purchase of fixed assets,
 - 13) undertaking decisions on disposal and purchase of real estates that constitute the property of the Union after obtaining positive decision of the Supervisory Board,
 - 14) adopting regulations of preferential principles of use of the forms of activity of the Union by the Members,
 - 15) determining principles of using trademark of the Union by the Members,
 - 16) adopting resolutions and other activities in cases not restricted to competences of the General Meeting of Members and the Supervisory Board,
 - 17) conferring the title of the Advocate of the Entrepreneurs and Employers Union, rejecting candidacy, revoking the title of the Advocate of the Entrepreneurs and Employers Union.
4. The title of the "Advocate" is given to a person, institution or company which significantly contributed to the promotion of the Union. The application for awarding the title of the Advocate is submitted by a Member of the Entrepreneurs and Employers Union, member of the Supervisory Board or member of the Management Board.

§ 19.

1. The Management Board consists of 2 to 5 members, including the President of the Management Board, Vice President of the Management Board and members of the Management Board.
2. Members of the Management Board are appointed and dismissed by the Supervisory Board by simple majority of votes.
3. The term of office of the Management Board is 5 years.
4. In case of exceptional circumstances, the Supervisory Board can dismiss the Management Board by unanimously adopted resolution.
4. The Management Board is created at the first meeting, at the latest within 14 days from the date of its appointment.
5. The principles and mode of activity of the Management Board are determined by the Regulations of the Management Board adopted by the Supervisory Board.
6. The Management Board adopts resolutions by simple majority of votes subject to section 7 and 8.
7. The Members of the Management Board can participate in meetings with the use of means of distance communication ensuring mutual audibility among all persons participating in the meeting. Such participation constitutes personal appearance at the meeting, whereas minutes of the meeting should be prepared in a written form and signed by all persons within 14 days.
8. The Members of the Management Board can adopt resolutions by circulation with the use of correspondence exchange or via courier, telefax or E-mail provided that no member of

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the Management Board opposes such form of adopting a resolution. Votes casted via telefax or E-mail shall be confirmed in a written form and directed to the President of the Management Board in person, via registered letter or courier delivery within 14 days.

§ 20.

1. The President of the Management Board with Vice President, or Vice President with a Member of the Management Board, or a proxy with a Member of the Management Board are authorised to make declarations in the scope of law and duties.
2. The competences of the President of the Management Board include:
 - 1) organising works of the Management Board,
 - 2) performing tasks stipulated in the Work Regulations of the Management Board and the Statute,
 - 3) performing other tasks which do not belong to the competences of other authorities of the Union.

§ 21.

1. The Supervisory Board constitutes a control authority of the Union and consists of 3 to 5 members selected by the General Meeting of Members.
2. The Supervisory Board consists of the President, Vice President and the Members of the Board.
3. The term of office of the Supervisory Board is 5 years.
4. The competences of the Supervisory Board include:
 - 1) appointing and dismissing the Members of the Management Board,
 - 2) giving discharge for the Members of the Management Board,
 - 2) control of ongoing work, business and financial activity of the Union and implementation of resolutions of its authorities,
 - 3) confirming periodical and annual financial reports of the Union,
 - 4) confirming periodical and annual reports from business activity of the Union,
 - 5) submitting requests for convening the General Meeting of Members, convening the General Meeting of Members in case the Management Board fails to convene it in a mode stipulated by the Statute,
 - 6) examination of complaints of the Members of the Union or Supporting Members concerning the activity of the Management Board,
 - 7) adoption of Regulations of the Management Board.
6. The Supervisory Board adopts resolutions by simple majority of votes subject to section 7 and 8.
7. The Members of the Supervisory Board can participate in meetings with the use of means of distance communication ensuring mutual audibility among all persons participating in the meeting. Such participation constitutes personal appearance at the meeting, whereas minutes of the meeting should be prepared in a written form and signed by all persons within 14 days



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8. The Members of the Supervisory Board can adopt resolutions by circulation with the use of correspondence exchange or via courier, telefax or E-mail provided that no member of the Supervisory Board opposes such form of adopting a resolution. Votes casted via telefax or E-mail shall be confirmed in a written form and directed to the President of the Supervisory Board in person, via registered letter or courier delivery within 14 days.

§ 22.

1. If the composition of the authorities of the Union decreases during the term of office, completing the composition can occur by co-option.
2. Co-option shall be performed by the remaining members of the authority, the composition of which decreased, by adoption of a resolution within 30 days from the date of decreasing the composition of the authority of the Union.

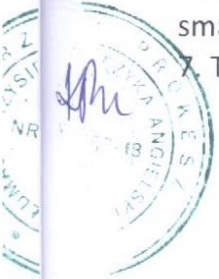
V. ARBITRATION BY FELLOW MEMBERS

§ 23.

1. Arbitration by fellow members, hereinafter referred to as the Arbitration, consists of 3 to 5 Members of the Union who are not Members of the Management Board. § 22 applies accordingly.
2. The competences of the Arbitration comprises examination of each written request of a Member of the Union, excluding requests and complaints pertaining to the authorities of the Union.
3. The Arbitration convenes upon written request of a Member of the Union and responds to its request within period not exceeding 30 days from the date of submitting a request.
4. The Arbitration closes proceedings with an issuance of a decision which is given to all Members of the Union.
5. The Parties of a dispute are entitled to appeal against the decision of the Arbitration to the nearest General Meeting of Members within 30 days from the date of issuance of the decision.
6. Decisions of the Arbitration are made with simple majority of votes in composition no smaller than 3 Members of the Arbitration.
7. The Arbitration can impose the following penalties:
 - 1) warning,
 - 2) reprimand,
 - 3) suspensions in the rights of a member for period of 6 months,
 - 4) exclusion from the Union.

VI. THE COUNCIL OF ADVOCATES

§ 24.



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1. The Council of Advocates can be appointed by the Management Board and constitutes a voluntary advisory authority of the Union.
2. The Council of Advocates consists of all Advocates appointed by the Management Board of the Union.
3. In particular, the tasks of the Council of Advocates include:
 - 1) preparation of opinion in cases transferred by the Management Board or Supervisory Board,
 - 2) providing the Management Board and Supervisory Board with information pertaining to initiatives of entrepreneurs from particular regions.
4. A meeting of Provincial Advocates takes place at least once a year upon request of at least half of the Advocates or upon request of the Management Board.
5. The Council of Advocates works on the basis of the Regulations confirmed by the Management Board of the Union.

VII. LOCAL BRANCHES

§ 25.

1. The Union may create local branches.
2. Local branches are created through a resolution of the Management Board of the Union.
3. A resolution of the Management Board of the Union on creation of a local branch shall determine the scope and principles of operation of the branch, the director of the branch and his or her tasks, competences and the scope of responsibility.
4. A resolution can also determine guidelines of operation of the branch such as budget and objectives of the operation of the branch.

§ 26

The Union can appoint the Trade Court or Arbitration Court. Appointment of the Court can take place by a resolution of the Management Board of the Union after obtaining written opinion of the Supervisory Board. The Management Board shall give Regulations to the Trade Court or Arbitration Court by a resolution on the appointment of the Court.

VIII. ASSETS AND PROPERTY OF THE UNION

§ 27.

1. The assets of the Union consists of real estate, movable property, shares, rights, financial sources and other assets obtained from membership subscriptions, inheritances, donations and subsidies, income of the Union's assets, income from business and statutory activity and public generosity.



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2. Acceptance of subsidy, donation, bequest cannot depend on conditions contrary to the interests of the Union.
3. The assets and funds of the Union are managed by the Management Board in accordance with principles determined in the Statute.

IX. FINAL PROVISIONS

§ 28.

1. The Union can be dissolved on the basis of a resolution of the General Meeting of Members in a manner determined in § 16 section 5 and in other cases stipulated by the provisions of law.
2. By adopting a resolution on dissolution of the Union, the General Meeting of Members determines a manner of its liquidation and disposition of the assets of the Union.
3. Liquidation activities are made by the Liquidation Board appointed by the General Meeting of Members. The Liquidation Board shall prepare a report from the performed liquidation activities, submitted to the competent Registry Court.
4. In matters unregulated by this Statute, provisions of the Act on organisation of employers and applicable law shall apply.

Cezary Kaźmierczak:

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Marcin Nowacki:

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Dorota Wolicka:

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Tomasz Pruszczyński:

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I, the undersigned, Katarzyna Prokesz, Sworn Translator of English and Polish, listed at number TP/167/13 in the Register of Sworn Translators kept by the Ministry of Justice of the Republic of Poland, affix my signature and seal to certify this to be a true and accurate translation of the original document in Polish presented to me.



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