



Rules of the
Audit Committee
of HUUUGE, Inc.

**RULES OF THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS
OF HUUUGE, INC.**

I. GENERAL PROVISIONS

§1

These rules (the “**Rules**”) define the composition, method of appointment, tasks, scope of activities and the mode of functioning of the Audit Committee of the Board of Directors (the “**Board of Directors**”) (the “**Committee**”) of Huuuge, Inc. (the “**Company**”).

§2

1. The Committee is established pursuant to Article IV, Section 2 of the Third Amended and Restated Bylaws of the Company (the “**Bylaws**”).
2. The Committee is responsible for supervising the Company’s financial matters and monitoring the implementation and maintenance of internal control, risk management compliance and internal audit systems in the Company.

II. COMPOSITION AND APPOINTMENT OF THE COMMITTEE

§3

1. The Committee shall consist of at least three members (the “**Members of the Committee**”) meeting the criteria set out in Article IV, Section 2 of the Bylaws.
2. The Members of the Committee shall be appointed by the Board of Directors from among its members. The Members of the Committee shall be non-executive directors.
3. Members of the Committee shall serve until their successor is duly elected and qualified or until their removal or resignation, with a right to be re-elected.
4. Members of the Committee can be dismissed at any time, with or without cause, by an affirmative majority vote of the Board of Directors.
5. The Committee shall have a President (the “**President**”), the vice-president (the “**Vice-President**”) and secretary (the “**Secretary**”) of the Committee. The Board of Directors shall select one of the Members of the Committee as the President, one as the Vice-President and one as the Secretary.
6. At least one of the Members of the Committee must have adequate qualifications in accounting and finance and at least one Member of the Committee shall have appropriate expertise in the industry in which the Company operates.
7. At least two Members of the Committee, including the President, should meet the independence requirements referred to in Annex II to the European Commission Recommendation of February 15, 2005, on the role of non-executive or supervisory directors of listed companies and on the committees of the (supervisory) board. Notwithstanding the independence requirements defined in Annex II, the independence requirement shall not be deemed as fulfilled if the Member of the Committee:
 - (a) is an employee of the Company or its subsidiary or affiliate or has entered into a similar agreement with any of them; or
 - (b) has an actual and significant relationship with any shareholder who holds at least 5% of the total votes in the Company.

8. Verification of the criteria specified in §3.6 above with regard to individual members of the Committee is performed by the Board of Directors on the basis of formal statements submitted by members of the Committee or supplementary information presented by the Board of Directors.
9. Members of the Committee shall immediately notify the Company of any changes in their status related to the independence criteria specified in §3.6 above.

III. TASKS AND SCOPE OF ACTIVITY OF THE COMMITTEE

§4

1. The Committee shall act on the principle of collegiality.
2. The scope of activity of the Committee covers the activities referred to in §2.2 above and includes advisory and consultative actions in the framework of the Board of Directors' competences with respect to the below fields of activity of the Company, and in accordance with binding law, of companies in the Company's capital group (the "**Group**"):
 - (a) financial reporting;
 - (b) annual and quarterly financial planning;
 - (c) realization of financial plans submitted to the Board of Directors;
 - (d) audit of financial statements by a statutory auditor;
 - (e) internal and external control systems, including internal audit; and
 - (f) risk management system.
3. The scope of activity of the Committee may include other issues indicated by the Board of Directors.

§5

1. The Committee's tasks within the scope of advisory and consultative activities with reference to financial reporting include in particular:
 - (a) preliminary assessment of the report of the Board of Directors on the activity of the Company and the annual financial statement of the Company;
 - (b) preliminary assessment of annual consolidated reports of the Group and the report of the Board of Directors on the activity of the Group as well as a decision whether they can be recommended to the Board of Directors for submission to the shareholders;
 - (c) preliminary assessment of all financial documents submitted to the Board of Directors, in particular the annual financial plan prepared by the Board of Directors as well as a report on its execution;
 - (d) evaluation of the fundamental principles governing the existing financial reporting system and presentation of conclusions and recommendations to the Board of Directors concerning the validity of its modification, and moreover informing the Board of Directors of any significant irregularities in the system that the Committee is aware of, or risks related to its organization and operation.
2. The Committee's tasks within the scope of advisory and consultative activities with reference to the audit of financial reports by a statutory auditor include in particular:

- (a) recommendation to the Board of Directors of the statutory auditors to be chosen by the Board of Directors to audit or review the Company's financial statements and consolidated financial statements of the Group, as well as the statutory auditors, who are entrusted with the review or audit of other financial reports of the Company, and evaluation of proposed conditions in the auditor's contracts, including his or her remuneration;
 - (b) evaluation of the type and scope of work assigned to the statutory auditor, that is unrelated to the audit or review of financial statements, in respect of the risk that conflict of interest may arise, as well as costs incurred in favor of the statutory auditor;
 - (c) if a statutory auditor resigns from auditing the Company's financial statements, in particular if he or she should terminate the contracts concluded with the Company or any company of the Group, the evaluation of reasons behind such resignation and presentation of conclusions to the Board of Directors;
 - (d) presentation to the Board of Directors of conclusions and recommendations following from the report and opinion of the statutory auditor on the financial statements of the Company and consolidated financial statements of the Group, in particular if the statutory auditor refuses to express an opinion, if the opinion is negative or reservations have been voiced regarding the financial statements;
 - (e) expressing opinions on activities undertaken by the Board of Directors with regard to reservations to financial statements made by the statutory auditor or comments made in any other form with respect to the validity of the financial statements or accounting principles applied by the Company or the Group; and
 - (f) preparing drafts and proposing amendments to the policy on selecting and appointing an audit firm to audit financial statements of the Company and the Group.
3. The Committee's tasks within the scope of advisory and consultative activities with reference to internal and external control, including internal audit and risk management, include in particular:
- (a) evaluation of the effectiveness of internal control and risk management systems that function within the Company and presentation of conclusions and recommendations to the Board of Directors concerning their evaluation, including the validity of modification, and moreover informing the Board of Directors of any detected irregularities in the systems, or risks related to their organization and operation;
 - (b) preliminary evaluation of documents concerning internal control and risk management systems in the Company submitted to the Board of Directors, in particular the annual plan of control actions within the Company approved by the Board of Directors and a report on its execution;
 - (c) evaluation of the results of internal controls, including internal audits, and schedules of elimination of detected errors in selected areas; and
 - (d) examination of reports and recommendations of external regulation or supervisory bodies, regarding the conformity of the Company's activity with the law, and schedules of elimination of detected errors.
4. The Committee is free to obtain advice and assistance from outside legal, accounting or other advisors as it deems necessary to carry out its duties. The Company shall bear the costs of remuneration of such advisors appointed by the Committee.

IV. COMMITTEE SESSIONS

§6

1. Sessions of the Committee shall be held as often as required, however not less frequently than once per quarter, on dates specified by the President.
2. The dates of sessions of the Committee should be specified in a manner that allows the Committee to fulfill its due diligence duties, in particular with respect to the preliminary assessment of documents regarding the end of the fiscal year and the recommendation of the statutory auditor.
3. Sessions of the Committee shall be held at the place indicated by the person convening the session with due observance of §8.1 below.
4. With due observance of binding law and within the scope of activities as specified by these Rules, the Committee or the Members of the Committee delegated by a Committee resolution are authorized to request information and explanations from the Company's employees.

§7

1. Sessions of the Committee are convened by the President, or, should he or she be absent, by another Member of the Committee designated by the President.
2. A petition to convene a session of the Committee, containing the proposed agenda, may be submitted by a Member of the Committee or the President on his or her own initiative or on the petition of the President or the statutory auditor of the Company. The session shall be convened within 30 days of the filing of a petition.
3. The agenda of the session of the Committee is determined by the person convening the session with due consideration of the contents of petitions to convene the session.
4. The sessions of the Committee are convened through an invitation delivered by mail, fax or e-mail. The notification of convening a session of the Committee containing the session's proposed agenda as well as materials concerning the session should be delivered to all Members of the Committee and the President at least three days before the planned date of the session. Under justified circumstances this period can be shortened by the person convening the session.
5. The President must be notified about the convening of a session of the Committee as well as the proposed agenda within the timeframe specified in item 4 above.
6. The Committee may convene its sessions without formal notification if all Members of the Committee accept that such session should be held and approve the proposed agenda of the session.

§8

1. Sessions of the Committee shall be opened and conducted by the President, or, should he or she be absent, by the Vice-President or another Member of the Committee designated by the President.
2. Decisions of the Committee are made by way of resolutions, adopted by votes of the Members of the Committee. Resolutions of the Committee are adopted by an absolute majority of votes. In case of an equal number of votes the President shall have the decisive vote, or, should he or she be absent, the Vice-President.

3. In order to adopt valid resolutions all Members of the Committee must be properly notified of the meeting and at least half of the Members must be present, including the President or Vice-President.
4. The agenda specified in the notification on the convening of a session cannot be modified or supplemented during the session which it concerns, unless all Members of the Committee are present at the session and all of them accept the modification or the supplementation of the agenda.

§9

Resolutions of the Committee may be adopted by means of remote communication, including by written consent. Resolutions adopted by such means are valid if all Members of the Committee were informed of the contents of the draft of the resolution.

§10

Voting on resolutions is open.

§11

The person convening a session of the Committee may decide to invite persons from outside the Committee to attend the meeting, in particular Members of the Board of Directors or the statutory auditor, as well as employees and co-workers of the Company or external experts.

§12

1. Minutes from the sessions of the Committee shall be taken by the Secretary.
2. The minutes should include the relevant number of the minutes, the date and place of the meeting, names and surnames of the persons present, the agenda, motions filed by the Members of the Committee, the contents of resolutions and results of voting as well as contrary opinions and reservations.
3. Copies of the minutes are delivered to Members of the Committee present at the session without undue delay.
4. The minutes are accepted during the next session of the Committee. The agreed version of the minutes shall be signed by all Members of the Committee present at the session which the minutes concern and each page shall be signed by the Secretary. Under justified conditions the minutes can be prepared and accepted on the day of the session which the minutes concern.
5. Minutes of the Committee's sessions are archived at the Company's headquarters.
6. All Members of the Board of Directors are entitled to view the minutes of the Committee sessions as well as any other documents containing the results of the Committee's work.

V. FINAL PROVISIONS

§13

1. Members of the Committee are obliged to keep confidential any information obtained during the course of participation in the Committee's activities.
2. The obligation to maintain confidentiality concerns in particular information that constitutes the Company's business secrets (including information concerning the Group).
3. The obligation to maintain confidentiality specified in items 1 and 2 above does not apply to publicly available information or the disclosure of information concerning the fulfillment of

duties of a Member of the Committee resulting from provisions of law or a decision of a court or other body.

4. The Committee shall periodically review these Rules to ensure their compliance with applicable laws. Such review shall take place at least once a year.

§14

1. The Committee shall submit semi-annual written reports to the Board of Directors concerning the Committee's activity. The report covering a given six-month period should be submitted at the time when the Company's annual and semi-annual financial statements are approved. The report should include an assessment of the Committee's activity with regard to its competence to perform assigned tasks and the effectiveness of their performance.
2. During every meeting of the Board of Directors the President, or, should he or she be absent, the Vice-President or another Member of the Committee designated by the President, shall present information to the Board of Directors concerning the Committee's activity during the period since the previous meeting of the Board of Directors, in particular the resolutions adopted by the Committee (provided that they are not submitted to the Board of Directors on the basis of a separate point of the meeting's agenda).

§15

1. The Board of Directors or persons designated by the Board of Directors shall ensure that the Committee has access to documents and the technical means necessary to fulfill its functions.
2. The Company shall provide administrative and technical support to the Committee.

§16

1. These Rules are open and shall be available to the public.
2. These Rules shall take effect on the day on which the Bylaws enter into force.
3. These Rules are adopted and shall be amended or replaced by the Board of Directors.