

**INet Inc.**

**Organizational Regulations**

Adopted by the Board of Directors on June 29, 2007

**1. Governing Principles**

These Organizational Regulations, (hereinafter the “Regulations”) are adopted in accordance of Article 17 of the Statute of the Company.

They govern the organization, voting procedure, as well as the powers and duties of the following organs of the Company:

- Board of Directors
- President of the Board of Directors
- Chief Executive Officer
- Officers [hereinafter “Company Management Team”]

**2. Board of Directors**

**2.1. Organization**

The current size of the Board of Directors is three members. One member of the Board of Directors is executive, two members are non-executive, out of which at least one is independent.

The Board of Directors is self-governed.

The members of the Board of Directors are elected for one year term, which is indefinitely renewable subject to the age limit specified in Article 2.8 below. Employees may be members of the Board, provided such persons do not receive compensation for their activities as members of the Board of Directors.

At the first meeting following the Annual General Meeting of Shareholders, the Board of Directors appoints a President and a Secretary. It is not mandatory that the Secretary is member of the Board of Directors, or a shareholder.

The term of office of the President matches the term of office of his/her appointment as member of the Board of Directors. The President can be indefinitely re-elected to his/her respective position subject to age limit, specified in Article 2.8, below.

**2.2. Meetings, convening of meetings and agenda**

A meeting of the Board of Directors may be called by the President as often as the business of the Company requires, but not less than once in every quarter. One of the meetings of the Board of Directors must take place within the month preceding the Annual General Meeting of Shareholders.

The Board of Directors may also be convened upon request of one of the Directors.

Such request is made to the President in writing, and it includes the reasons for which the Board of Directors meeting is being called. Upon receipt of such request, the President shall convene the Board of Directors without delay.

The notice convening the Board of Directors meeting shall mention the day, the time and the place of the meeting, as well as the agenda. The relevant documentation in relation to the forthcoming meeting shall be delivered reasonably in advance. Resolutions on items that were not mentioned in the agenda, may only be taken if all members of the Board of Directors have been consulted, except in case of emergency.

The meetings of the Board of Directors are chaired by the President. Meetings of the Board of Directors may be validly held by way of video-conference or telephone conference, as long as each member of the Board of Directors may be duly identified by the other members of the Board of Directors.

### 2.3. Vote, Minutes

#### 2.3.1. Vote

In the current set up of the Board of Directors may adopt resolution only unanimously with presence of all members of the Board of Directors.

The resolutions of the Board of Directors may be taken by way of circular letter, provided that no member requests a discussion.

The resolutions by way of circular letter are adopted if they have been approved unanimously by the members of the Board of Directors.

#### 2.3.2. Minutes

The discussions and the resolutions of the Board of Directors are set forth in minutes, signed by each member of the Board of Directors. Each member of the Board of Directors receives a copy of the minutes. The resolutions taken by way of circular letter must be included in the minutes of the following meeting of the Board of Directors.

The minutes of each meeting must be ratified at the following meeting of the Board.

### 2.4. Attribution of powers

#### 2.4.1. Powers delegated by the Board

The Board of Directors delegates the entire management of the Company to the Chief Executive Officer, except where the law, the Statute or the present Regulations provide differently.

#### 2.4.2. Powers not delegated by the Board

The Board of Directors exercises at any time the superior management and supervision of the Company. It issues directives concerning the business policy and keeps itself informed on the Company's performance.

In particular, the Board of Directors has the following non-transferable and inalienable powers and duties:

- Oversight of the appointment and dismissal of the Chief Executive Officer and any officer whose powers have been granted by the Chief Executive Officer and issues the necessary guidelines; this includes the determination of the strategic objectives, the allocation of resources and company policy
- Determination of the organizational structure
- Establishment of accounting and financial control principles as well as the financial plan
- Oversight of the preparation of the annual report, prepares the shareholders' meetings and carries out its decisions
- Closure (termination) and/or transfer of the business and/or any part thereof, contributing to more than 10% of the revenue of the company;
- Decrease and/or expansion of the scope of operations of the company;
- Establishment of long-term cooperation with other companies, being of essential importance for the company and/or its termination;
- Foundation and termination of a trade company participating to more than one-tenth of the charter capital of the company; and
- Foundation and termination of branch offices of the company.

### 2.5. Right to information and consultation

Each member of the Board of Directors has the right to obtain information on the entire business of the Company. During the meetings, each member of the Board of Directors may request information from the other members, as well as from persons entrusted with the management.

Outside the meetings, each member of the Board of Directors may request from the persons entrusted with the management information regarding the course of business, and with the authorization of the President, on specific business issues. To the extent it is necessary for the accomplishments of his/her duties, each member of the Board of Directors may request from the President to review the books and files. If the President rejects a request for information, for hearing or consultation, the Board of Directors decides.

### **2.5.1. Reports**

During each meeting, the Board of Directors must be informed by the Chief Executive Officer on the development of the current affairs and on important events. Extraordinary events are notified to the members of the Board of Directors in the shortest possible time by circular letter.

### **2.6. Signatory rights**

The Chief Executive Officer has full rights to represent with his/her individual signature the Company in all aspects subject to his/her powers as delegated by the Board of Directors.

For all other matters the members of the Board of Directors shall provide a special authorization to the Chief Executive Officer.

### **2.7. Discretion, Secrecy**

Each member of the Board of Directors is accountable for the documents entrusted to him. Each member is under an obligation to maintain absolute confidence towards third persons on the facts that came to his attention during the exercise of his directorship.

### **2.8. Age limit**

No member of the Board of Directors can seek reelection after he has reached the age of 70 years, except for a contrary resolution of the Board of Directors.

A member of the Board of Directors who has reached the age limit during the term of his directorship, may remain a director until expiration of his term.

### **2.9. Annual Report**

The Board of Directors shall review at least once a year its own structure, processes, and performance, including the adequacy of these Regulations. Independent director(s) shall assess the adequacy of their relationship and cooperation with executive directors.

## **3. The President of the Board of Directors**

In urgent cases the President of the Board of Directors has the power to take on his own a decision which would otherwise fall in the competence of the Board, provided that a resolution by way of circular letter in accordance with Article 2.3.1. above is not possible or practicable.

Decisions taken by the President of the Board in this way shall immediately be notified in writing to the other members of the Board, and are subject to ratification by the Board of Directors, at its next meeting or by way of circular letter.

## **4. The Chief Executive Officer**

### **4.1. General Responsibilities**

In application of Article 17 of the Statute and subject to Article 2.4 above, the Board of Directors delegates the entire management of the business to the Chief Executive Officer.

The Chief Executive Officer spends his full time in this capacity. He conducts the business with the support of the Company Management Team. He organizes and presides the meetings of the Company Management Team.

### 4.2. Detailed list of responsibilities

The Chief Executive Officer has, in particular, the following responsibilities and prerogatives:

- Define and implement the short and medium term strategy and plans;
- Establish preliminary and final budgets for submission to the Board of Directors for approval;
- Produce the Company's preliminary financial statements as well as annual report for submission to the Board of Directors for approval and subsequent presentation to the shareholders;
- Hire, dismiss and promote employees, including the Company Management Team;
- Take immediate measure to protect the interests of the Company, where a breach of duty is suspected from a member of the Company Management Team, including suspending the relevant member of the Company Management Team from office. In such case, the Board of Directors must decide on the matter within a reasonable period of time;
- Implement the decisions taken by the Board of Directors;
- Report regularly to the President of the Board of Directors on the evaluation of business;
- Prepare supporting documents for decisions which are to be made by the Board of Directors;
- Decide, within his authorities, on issues that are brought to his attention by the Company Management Team.

### 4.3. Reporting line

The Chief Executive Officer reports to the Board of Directors.

## 5. The Company Management Team

### 5.1. Appointment, dismissal and remuneration

The Chief Executive Officer is responsible for appointing, dismissing and the issues of remuneration of the members of the Company Management Team.

### 5.2. Roles and responsibilities

The roles and responsibilities of the members of the Company Management Team are decided by the Chief Executive Officer and shall be incorporated in their respective job descriptions.

### 5.3. Subordination

The members of the Company Management Team are directly subordinated to the Chief Executive Officer. They keep him informed on the development of the business in general, as well as on the events that impact the Company.

## 6. Final Provisions

### 6.1. Entry into force

The present Regulations shall take effect upon approval by the Board of Directors

### 6.2. Amendments

On the President's of the Board of Directors request, the present Regulations must be reviewed and, as the case may be, updated on yearly basis, i.e. during the first meeting of the Board of Directors following the ordinary General Meeting of Shareholders, or as often as the business of the Company requires.

Decisions regarding amendments of the present Regulations need to be reached unanimously by the members of the Board of Directors.