

**THE
RULES OF PROCEDURE
OF THE SUPERVISORY BOARD OF
RÁBA AUTOMOTIVE HOLDING PUBLIC LIMITED COMPANY**

March 20, 2013

The Rules of Procedure of the company were approved through resolution No. **2013.04.12.**, by the general meeting of shareholders held on **April 12, 2013.**

Törölt: 07

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Törölt: 9/2001.04.24.

Törölt: 24 April 2001

1. The executive management of the Company is controlled by the supervisory board (hereinafter: SB) elected by the general meeting of shareholders.

The rules for the establishment and the operation of the SB are set forth in the Articles of Association of RÁBA Rt.

The provisions of the Articles of Association relevant to the SB are shown in Annex 1.

2. Members of the SB

The Supervisory Board has three members elected by the general meeting of the Company. One third of the members of the SB is elected based on the nomination of the company council, if, failing different agreement concluded by the company council and the management of the Company, pursuant to the existing laws, an employee representative is entitled to participate in controlling of the operation of the Company.

Törölt: Companies Act,

Törölt: on the SB is required.

The members of the SB are elected for a period determined by the general meeting of shareholders, which however, in any case expires 5 years after their election. The members of the SB can be re-elected.

The members of the SB elect the chairman of the SB from among themselves with a simple majority of the votes.

3. The SB membership is terminated:

- 3.1. - at the end of the term of office,
- 3.2. - upon recall of the member,
- 3.3. - upon resignation of the board member 60 days after the resignation notice has been submitted or earlier, if the general meeting of shareholders has elected a new member to replace the resigning member.
- 3.4. - upon death of the SB member,
- 3.5. - upon termination of the employment of the delegated board member (if such SB member exists)
- 3.6. - once the precluding reason as set forth in the law ensues.

3.7. – upon other causes as stated in a special act.

In the event that a SB member is unable to perform his SB duties for an extended period (foreseeably exceeding 3 months), the chairman of the SB shall initiate the election of a new SB member to the Chairman of the Board of Directors, by proposing to include such item into the agenda of the next general meeting of shareholders, or in justified cases by calling an extraordinary general meeting of shareholders. Should the chairman of the SB be unavailable, the other members of the SB are jointly responsible to discharge such obligation.

4. The members of the SB are entitled to remuneration for their activity. Such remuneration shall be determined by the general meeting and payment is made monthly, upon instruction from the CEO of the Company.

5. Operation of the SB

5.1. The SB has the right to request information and reports from all members of the Board of Directors and the executives, as well as from the employees of executive position of the Company on all matters pertaining to the Company. The SB furthermore has the right to inspect or have experts inspect all accounts, books, bank accounts and documents of the Company.

5.2. The Board of Directors shall send the agenda, and the minutes pertaining to the meetings of the Board of Directors to the chairman of the SB, and the written documents at the request of the chairman of SB.

Törölt: , as well as the written documents

Törölt: , to inform the members of the SB

5.3. The SB shall prepare, order and/or assess working documents as needed.

5.4. The members of the SB shall attend sessions of the SB, they have a right to formulate an opinion and to make motions and shall decide on matters within their competence.

5.5. The members of the SB shall act as a body or individually on matters assigned to them and approved by the SB. Should any of the SB members learn about matters within the competence of the SB, he shall inform the SB about such matters at the next meeting of the SB.

6. Responsibilities of the SB

6.1. The SB shall check the executive management of the company. The SB shall inspect all reports and proposals made for the general meeting of shareholders and shall inform the general meeting about the outcome of its inspection.

6.2. The SB shall prepare a report and take a stand on the matter discussed.

6.3. The SB shall in each case inform the Board of Directors about its opinion through the chairman of the Board and shall prepare its reports for the general meeting in the instances set forth by the law.

6.4. The SB shall call the general meeting if it is required by the interests of the Company especially if it learns that the operation of the Company or any measures violate the law or the Articles of Association of the Company or if it learns about actions or defaults in breach of the interests of the shareholders.

6.5. The SB shall inspect the activity of the management of the Company if it is requested by shareholders representing 10% of the Company's registered capital, indicating the cause and the purpose of such request.

6.6. The SB shall fulfil the duty prescribed by the existing laws and the Articles of Associations of the Company.

7. Timing and venue of the meetings of the SB

7.1. The SB shall hold its meetings once every quarter. The meetings are called by the chairman of the SB. If needed, an extraordinary meeting can be called. Extraordinary meetings can be initiated by the chairman of the SB or by any of its members.

7.2. The meetings of the SB are held primarily at the seat of the Company. Based on the unanimous decision of the members of the SB, meetings can from time to time be held outside of the seat of the Company if it is justified by some reasonable acceptable fact or condition.

7.3. Costs incurred by the SB members in connection with the attendance at the meeting and with the membership on the SB, shall to the statutorily permitted extent be reimbursed by the Company.

Törölt: RÁBA Rt

7.4. The time and date of the forthcoming meeting shall, if possible, be decided at the previous SB meeting. A period of at least five working days shall elapse between the convocation of the SB meeting and the date of the meeting, unless the members of the SB approve with a unanimous vote a date for the next meeting of the SB to be less than 5 working days after the convocation of the meeting.

8. Order of the meetings of the SB, telecommunication session, written resolution

8.1. The SB shall have a quorum if two thirds of its members but no less than three members are present.

The meetings are chaired by the chairman.

8.2. Each member of the SB has unlimited right to make comments and to formulate an opinion. The members of the SB are required to participate in the work of the SB in person, proxies are not permitted.

8.3. Decisions at the meetings are adopted through a unanimous vote, in the event of a tie vote, the vote of the chairman shall decide.

8.4. Any member may invite guests to attend the meetings of the SB, they shall have the right to consult at the meeting.

The auditor of the Company may be present at the meetings of the SB:

8.5. Upon initiative of the Chairman, meeting of the SB may be held by means of telecommunication, or without convening a meeting, the SB may vote in writing based on the documents and proposed resolutions sent previously to the members. The technical requirements of the conference call session have to be provided by the Company so all members be provided with the electronic access during the entire period of such session.

The rules pertaining to the personal ordinary meeting (convocation, quorum, minutes, voting, etc.) shall be applicable to telecommunication session as well.

In such a case, the proposed resolution and the related written documents shall be sent to all SD members who shall be requested to vote in writing within at least eight (8) days after receiving the documents. The notice shall state the final date of the resolution and the address or e-mail address or facsimile number to which the written resolution should be sent. The deadline for the resolution may be extended by the Chairman once, for three days at most. Any such written resolution can be deemed adopted if it is supported by majority votes of the Board members.

9. The minutes of the meetings of the SB

9.1. The minutes taken at the meetings are the fundamental documents of the activities of the SB. The minutes shall show the participants, time, as well as the agenda of the meeting, the resolution adopted in the context of the agenda, as well as the opinions, and possible differences in opinion.

9.2. The drafting of the minutes shall be the responsibility of the chairman.

9.3. The minutes of the meeting shall be prepared within 10 days of the meeting and shall be sent to the members of the SB, the chairman of the Board of Directors, as well as to the CEO.

9.4. The members of the SB can comment upon the minutes within 8 days following receipt of the minutes, so that eventual comments shall be made in writing.

10. The members of the SB shall treat all information pertaining to the Company, and obtained in the course of their work as confidential and shall prevent such information from being released to third persons. Each member of the SB is personally subject to the confidentiality requirement.

Törölt: RÁBA Rt.

11. The technical and material conditions for the operation of the SB are provided by the Company, upon the responsibility of the person/s/ appointed by the CEO, as follows:

Törölt: RÁBA Rt.

11.1. He shall dispatch the invitations, as well as the materials for the meeting.

11.2. He shall duplicate working materials.

11.3. He shall dispatch the minutes of the meetings.

11.4. He shall manage the archives of the SB and shall file and register a copy of all information, which the chairman instructs him to file and register. Invitations to the meetings, minutes, as well as the related annexes shall be kept on file automatically.

11.5. He shall provide access to the archives of the SB upon request from any SB member.

11.6. He shall finance the activities of external experts hired for the individual matters by the SB.

12. Use of external experts on a case-by-case basis

In the event that a given task requires the involvement of external experts, in the opinion of the SB,

12.1. Based on the authorization of the SB as a corporation, the chairman conducts negotiations with the expert and concludes the agreement. Such task can from time to time be transferred to any member of the SB.

Törölt: board

12.2. The majority vote of the SB is required to establish the contents and the deadline of, as well as the compensation for the work to be carried out.

13. The relationship between the SB and the auditor

13.1. The SB informs the auditor about the meeting by sending him the invitation.

The auditor of the Company may attend the meetings of the SB.

13.2. If necessary, the SB sends the minutes taken at the meeting, to the auditor of the Company, by way of information.

13.3. In the course of carrying out the control tasks, the SB and the auditor shall consult as needed and shall, in the interest of the matter at stake, exchange all relevant information.

14. The relationship between the SB and the internal controlling organisation

14.1. The control system within the Company operates under the direction of SB. Its activity is performed on the basis of the annual working plan, which is completed by the ad hoc audits. The operation of the control system within the Company, and its subsidiaries is regulated by the existing order of the CEO of the Company.

Törölt: RÁBA Rt. Holding

Törölt: RÁBA Rt. No. 5/2000

14.2. The internal control function is performed on the basis of an annual working plan. Upon developing the controlling plan, the requirements formulated by the SB shall be incorporated. The controlling plan shall include the organisation to be controlled, the purpose of the controlling process, as well as the subject matter and the type of the controlling. The controlling working plan submitted with the managements' understanding is approved by the SB.

Törölt: Pursuant to this order, the operating control of RÁBA Rt. holding is performed by the organisations of the Finance Director and the Controlling Director under the management of the CEO and the supervision of the SB.

14.3. The organisation performing the controlling, shall inform the SB about the controlling performed on the basis of the annual working plan or as a targeted control.

Törölt: executive management of the Company, upon approval of the SB

14.4. The SB shall have the right to instruct the controlling organisation directly to carry out controlling tasks. In such cases the SB shall inform the chairman of the Board of Directors, as well as the CEO of the Company.

14.5. The SB shall discuss the report of the controlling organisation about the inspection carried out as per section 14.4 above, at the next meeting of the SB or at an extraordinary meeting if necessary.

14.6. The representative of the controlling organisation shall if necessary, attend the meetings of the SB with a right to consult.

15. The relationship between the Board of Directors and the SB

15.1. The Board of Directors shall send the agenda of its meetings to the Chairman of the SB by way of information. In consideration of the agenda, the Chairman of the SB may request the proposals made for the meeting of the Board of Directors.

Törölt: , through the chairman,

15.2. The Board of Directors shall send the minutes of its meetings to the Chairman of the SB and the SB shall send the minutes of its sessions to the Chairman of the Board.

Törölt: members

15.3. The Chairman of the SB can attend the meetings of the Board of Directors, with a right to consult.

Törölt: , from time to tome,

Győr, March 20, 2013

Törölt: The member of the SB to attend the meeting of the Board of Directors is appointed by the chairman of the SB.¶

These Rules of procedure, of homogeneous structure with the amendments of the rules of procedure of March 7, 2001, were adopted by the Supervisory Board at its meeting held March 20, 2013, through an unanimous vote and they shall be presented to the next general meeting of shareholders for approval.

Törölt: 7 March, 2001.

Törölt: 7 March, 2001

Supervisory Board of RÁBA Plc,

Törölt: Rt

Appendix 1 to the Rules of Procedure of the Supervisory Board of Rába Automotive Holding Plc.

Törölt: p

Regulations of the Articles of Association of Rába Plc. relating to the Supervisory Board

(Abstract of the Articles of Association in effect adopted through resolution No. 15/2012.06.19 of the General Meeting)

Törölt: 6/2007.04.26

Törölt: of Shareholders

SUPERVISORY BOARD AND AUDIT COMMITTEE**22. Members of the Supervisory Board**

22.1 The supervision of the Company's executive management is performed by the Supervisory Board.

22.2 The Supervisory Board of the Company is made up of three (3) members elected by the general meeting of the Company.

22.3 The members of the Supervisory Board are elected for a definite period of time, no longer than five (5) years. Members of the Supervisory Board can be reelected or recalled. The term of a member of the Supervisory Board elected through interim election, shall expire when the term of the other members of the Supervisory Board expire.

22.4 Members of the Supervisory Board shall elect a chairman from among themselves through simple majority vote.

22.5 The chairman of the Supervisory Board shall call and chair the meetings of the Supervisory Board, appoints the keeper of the minutes, orders voting and establishes the outcome of the voting.

22.6 The Supervisory Board has a quorum if at least two thirds of its members but no less than 3 members are present at the meeting. The Supervisory Board adopts its resolutions through simple majority vote. In the event of a tie vote the vote of the chairman shall be decisive. The Supervisory Board can, in accordance with its procedures, decide to have a meeting via telephone conference or the members may adopt a written resolution without a meeting, based on draft resolutions sent to the members in advance.

22.7 Any member of the Supervisory Board may call its meeting indicating its cause and purpose, if such request is not met by the chairman within eight (8) days.

22.8. The provisions of section 19.3 are applicable to the members of the Supervisory Board as well, so that the report is addressed to the Supervisory Board. The chairman of the Supervisory Board informs the chairman of the Board of Directors by sending a copy of the report.

22.9. Pursuant to Act CLII of 2007, the Members of the Supervisory Board are required to declare their assets.

Törölt:

23. Competence and tasks of the Supervisory Board

23.1 The Supervisory Board shall:

- (a) supervise the executive management of the Company;
- (b) inspect any report or motion of the Board of Directors made to the general meeting of shareholders and report to the general meeting of shareholders about the outcome of such inspection,
- (c) call the general meeting of shareholders if it is necessary in the interest of the Company, especially if it learns about any action, measure or default in breach of the law or of the Articles of Association of the Company;

- (d) inspect the executive management of the Company if it is requested by the shareholders representing 10% of the Company's basic equity indicating the cause and the purpose;
- (e) review the issues put forward by the Board of Directors and formulate a position on such matters;
- (f) discuss the proposal made by the Board of Directors to the Audit Committee for the auditor entity and the responsible auditor. The Audit Committee makes its proposal to the General Meeting for the auditor subject to the preliminary approval of the Supervisory Board.
- (g) to form a preliminary opinion about the performance requirements and the benefits based on performance (performance based wage or other benefit) for the employees falling under Section (1) of § 188 as well as employees falling under Section of (1) of § 188/A of the Labour Code.
- (h) perform other tasks stipulated in the regulations and in the Articles of Association of the Company.

Törölt: f

23.2 The Supervisory Board has the right to request information and report on all matters of the Company from any Board member, executive or employee of the Company and has the right to inspect or have inspected by an expert all accounts, books, bank accounts, documents and files of the Company at the expense of the Company.

23.3 The Supervisory Board establishes its own procedures and submits it to the general meeting for approval.

23.4 The Audit Committee

- (a) From among the independent members of the Supervisory Board the general meeting of shareholders shall elect a three-member Audit Committee. If the Supervisory Board has three members, and all are independent pursuant to the law, they automatically become members of the Audit Committee. The members of the Audit Committee elect the chairman of the committee. If the members of the Supervisory Board automatically become members of the Audit Committee, then the chairman of the Supervisory Board and of the Audit Committee is one and the same person. The termination of the membership in the Audit Committee is governed by the rules for the termination of the membership in the Supervisory Board. The membership in the Audit Committee is also terminated if the membership in the Supervisory Board is terminated.
- (b) The Audit Committee shall
 - Formulate its opinion on the statutory accounts;
 - Make a proposal for the auditor and its remuneration for the General Meeting with the consent of the Supervisory Board;
 - Prepare the contract to be concluded with the auditor;
 - Monitor the enforcement of the professional requirements towards and conflicts of interest with the auditor, performance of the tasks related to the cooperation with the auditor and proposal to the Board of Directors for measures to be taken if it is necessary;
 - Evaluation of the operation of the financial reporting system and proposal for the necessary actions and
 - Support of the work of the Board of Directors and of the Supervisory Board in the interest of the appropriate control of the financial reporting system;
- (c) The Audit Committee shall – unless it is composed automatically of the members of the Supervisory Board – prepare its own procedures. If it is composed automatically of the members of the Supervisory Board, its procedures are identical with those of the Supervisory Board.