

Management Board of Powszechny Zakład Ubezpieczeń Spółka Akcyjna

**Motion
to the Shareholder Meeting of Powszechny Zakład Ubezpieczeń Spółka Akcyjna
in the matter of a split of PZU SA shares and amendments to the Articles of Association of PZU SA**

Content:

A motion is hereby submitted to adopt a resolution on a split of PZU SA shares and amendments to the Articles of Association of PZU SA

Justification:

Pursuant to Article 430 § 1 of the Commercial Companies Code, the powers of the shareholder meeting of a joint stock company include the making of amendments to the articles of association.

At the same time, pursuant to § 25 section 2 item 19 of the Articles of Association of PZU SA and § 6 section 1 item 19 of the PZU SA Supervisory Board Bylaws, duties of the Company's Supervisory Board include the reviewing and issuing of opinions on any matters submitted by the Management Board to the Company's Shareholder Meeting.

Split of PZU SA shares

A split of shares is an operation performed by a joint stock company, involving a decrease in the par value of the company's shares while maintaining the same amount of its share capital.

A split of shares does not result in any changes in the ownership structure (stakes in the company's share capital held by its shareholders) but results in an immediate decrease in the market price of shares following the split of shares and an increase in the number of shares in circulation, yet the company's market capitalization remains unchanged.

As regards PZU SA, the shares will split using the ratio of 1:10, i.e. from PLN 1 (one Polish zloty) to PLN 0.10 (ten grosz) and the number of PZU SA shares making up the Company's share capital will be increased from 86,352,300 (eighty-six million three hundred fifty-two thousand three hundred) shares to 863,523,000 (eight hundred sixty-three million five hundred twenty-three thousand) shares.

The purpose of the split of shares is primarily to:

- a) increase the availability of shares to individual investors,
- b) diversify the shareholding structure.

Because in the PZU SA shareholding structure 18 shareholders still hold registered shares (as at 21 April 2015: 4,011 registered shares) in document form, the split of shares will make it necessary to update the data disclosed in the registered share documents in accordance with Article 358 § 1 of the Commercial Companies Code.

The data disclosed in the share documents will be updated by amending the contents of each share document following the registration of amendments to the Articles of Association of PZU SA by the National Court Register.

Any registered share documents that will not be submitted to the Company in order to have the data contained therein updated will be canceled by way of a Management Board resolution.

The next planned step following the receipt or cancellation of all registered shares will be their dematerialization and introduction to trading on a regulated market, which will eventually enable the Company to discontinue the keeping of a share book and will simplify the registration procedure for the Company's Shareholder Meeting.

Amendments to the Articles of Association of PZU SA

- 1) the split of shares will require the introduction of the following amendment to § 6 section 1:
§ 6 section 1 currently reading as follows:

"1. The Company's share capital is PLN 86,352,300 (eighty-six million three hundred fifty-two thousand three hundred zloty) and is divided into 86,352,300 (eighty-six million three hundred fifty-two thousand three hundred) registered and bearer shares with a par value of PLN 1 (one Polish zloty) each."

shall now read as follows:

"1. The Company's share capital is PLN 86,352,300 (eighty-six million three hundred fifty-two thousand three hundred zloty) and is divided into 863,523,000 (eight hundred sixty-three million five hundred twenty-three thousand) registered and bearer shares with a par value of PLN 0.10 (ten grosz) each."

2) furthermore, as it is planned to introduce the possibility for the PZU SA Supervisory Board and the PZU SA Management Board to adopt resolutions **outside a meeting** via means of direct remote communication, it is recommended that the Articles of Association of PZU SA be amended as follows:

a) in § 24, section 3 currently reading as follows:

"3. Resolutions adopted by the Supervisory Board pursuant to the procedure referred to in section 2 shall be presented at the next Supervisory Board meeting together with the outcome of the vote."

shall now read as follows:

"3. Resolutions adopted by the Supervisory Board pursuant to the procedure referred to in section 2 and 4 shall be presented at the next Supervisory Board meeting together with the outcome of the vote.",

b) in § 27:

– section 4 currently reading as follows:

"4. Subject to section 7, upon consent of the President of the Management Board, the Management Board may adopt resolutions by written procedure. A resolution adopted under this procedure shall be valid if all Management Board members have received the draft resolution with a justification. It is assumed that a resolution is adopted on the date of obtaining an absolute majority of votes in favor of the resolution."

shall now read as follows:

"4. Subject to section 7, upon consent of the President of the Management Board, the Management Board may adopt resolutions **outside a meeting** by written procedure or via means of direct remote communication. A resolution adopted under this procedure shall be valid if all Management Board members have received the draft resolution with a justification. It is assumed that a resolution is adopted on the date of obtaining an absolute majority of votes in favor of the resolution.",

– section 5 currently reading as follows:

"5. The written procedure referred to in section 4 may be used by the Management Board to adopt resolutions in electronic form via means of remote communication, provided that a safe electronic signature verified through a valid qualified certificate is used. In such case, the requirements specified in section 4 shall apply."

shall be repealed.

Currently, the Articles of Association of PZU SA permit the adoption of resolutions via means of direct remote communication without the need to convene a meeting only by the PZU SA Supervisory Board. However, in light of the absence of detailed specific provisions in the Supervisory Board Bylaws, in particular the absence of a list of the types of technical means and the manner of voting, such procedure of adopting resolutions by the Supervisory Board is not applied in practice.

The amendment in § 27 section 4 of the Articles of Association concerns the provision of a possibility for the Management Board to adopt resolutions outside a meeting via means of direct remote communication. Currently, the Articles of

Association permit only the holding of Management Board meetings via means of direct remote communication. If the resolution on the above amendments to the Articles of Association of PZU SA is adopted by the PZU SA Shareholder Meeting, the PZU SA Management Board and Supervisory Board will be able to adopt resolutions via means of direct remote communication, which will be of great practical significance.

Once these amendments to the Articles of Association of PZU SA have been made, a detailed procedure for adopting resolutions by the said corporate bodies without the need for convening a meeting via means of direct remote communication will be clarified in the Supervisory Board Bylaws and the Management Board Bylaws, as appropriate. The Bylaws will also specify the types of technical means (e.g. e-mail, Internet, dedicated systems) which will be used when applying this procedure.

The proposed amendments are aimed at streamlining the operations of the Company's corporate bodies. The introduction of the said solutions will provide the Management Board and the Supervisory Board with greater flexibility and will make their decision-making process a fast and efficient one.

At the same time, a motion is submitted to repeal § 27 section 5 of the Articles of Association concerning the Management Board's voting in writing using a secure electronic signature verified with a valid qualified certificate, which solution is not used by the Company or by other market players on a widespread basis.

In turn, the proposed amendment to § 24 section 3 results from unification of the provisions of the Articles of Association with existing practice and the provisions of the PZU SA Supervisory Board Bylaws. It is proposed that Supervisory Board resolutions adopted in writing (as provided for in the Articles of Association for resolutions adopted via means of direct remote communication) be presented at the next Supervisory Board meeting together with the outcome of the vote.

Accordingly, a motion is submitted to the PZU SA Shareholder Meeting to adopt a resolution on a split of PZU SA shares and amendments to the Articles of Association of PZU SA.

The motion along with the draft resolutions is presented on behalf of the PZU SA Management Board by:

Attachments:

- 1) Resolution No. UZ/134/2015 adopted by the PZU SA Management Board on 12 May 2015 in the matter of a motion to the PZU SA Ordinary Shareholder Meeting on a split of PZU SA shares and amendments to the Articles of Association of PZU SA;
- 2) Resolution No. URN/26/2015 adopted by the Supervisory Board on 21 May 2015 in the matter of evaluation of the PZU SA Management Board's motion on a split of PZU SA shares and amendments to the Articles of Association of PZU SA;
- 3) draft resolution to be adopted by the PZU SA Shareholder Meeting on a split of PZU SA shares and amendments to the Articles of Association of PZU SA.

RESOLUTION NO. UZ/134/2015

**ADOPTED BY THE MANAGEMENT BOARD OF POWSZECHNY ZAKŁAD UBEZPIECZEŃ
SPÓŁKA AKCYJNA**

on 12 May 2015

**in the matter of a motion to the PZU SA Ordinary Shareholder Meeting on a split of PZU SA shares
and amendments to the Articles of Association of PZU SA**

Pursuant to § 4 item 21 of the Powszechny Zakład Ubezpieczeń Spółka Akcyjna Management Board Bylaws, the following is hereby resolved:

§ 1

1. A motion shall be submitted to the PZU SA Ordinary Shareholder Meeting to adopt a resolution on:
 - 1) a split of all shares issued by PZU SA by decreasing the par value of each PZU SA share (without changing PZU SA's share capital) from PLN 1 (one Polish zloty) to PLN 0.10 (ten grosz) and by increasing the number of PZU SA shares making up the Company's share capital from 86,352,300 (eighty-six million three hundred fifty-two thousand three hundred) shares with a par value of PLN 1 (one Polish zloty) each to 863,523,000 (eight hundred sixty-three million five hundred twenty-three thousand) shares with a par value of PLN 0.10 (ten grosz) each, by replacing all PZU SA shares using the ratio of 1:10;
 - 2) the following amendments to the Articles of Association of PZU SA:
 - a) in § 6, section 1 currently reading as follows:

"1. The Company's share capital is PLN 86,352,300 (eighty-six million three hundred fifty-two thousand three hundred zloty) and is divided into 86,352,300 (eighty-six million three hundred fifty-two thousand three hundred) registered and bearer shares with a par value of PLN 1 (one Polish zloty) each."

shall read as follows:

"1. The Company's share capital is PLN 86,352,300 (eighty-six million three hundred fifty-two thousand three hundred zloty) and is divided into 863,523,000 (eight hundred sixty-three million five hundred twenty-three thousand) registered and bearer shares with a par value of PLN 0.10 (ten grosz) each.",
 - b) in § 24, section 3 currently reading as follows:

"3. Resolutions adopted by the Supervisory Board pursuant to the procedure referred to in section 2 shall be presented at the next Supervisory Board meeting together with the outcome of the vote."

shall read as follows:

"3. Resolutions adopted by the Supervisory Board pursuant to the procedure referred to in sections 2 and 4 shall be presented at the next Supervisory Board meeting together with the outcome of the vote.",
 - c) in §27:

– section 4 currently reading as follows:

"4. Subject to section 7, upon consent of the President of the Management Board, the Management Board may adopt resolutions by written procedure. A resolution adopted under this procedure shall be valid if all Management Board members have received the draft resolution with a justification. It is assumed that a resolution is adopted on the date of obtaining an absolute majority of votes in favor of the resolution."

shall read as follows:

"4. Subject to section 7, upon consent of the President of the Management Board, the Management Board may adopt resolutions outside a meeting by written procedure or via means of direct remote communication. A resolution adopted under this procedure shall be valid if all Management Board members have received the draft resolution with a justification. It is assumed that a resolution is adopted on the date of obtaining an absolute majority of votes in favor of the resolution.",

– section 5 currently reading as follows:

"5. The written procedure referred to in section 4 may be used by the Management Board to adopt resolutions in electronic form via means of remote communication, provided that a safe electronic signature verified through a valid qualified certificate is used. In such case, the requirements specified in section 4 shall apply."

shall be repealed.

2. The proposed wording of the resolution to be adopted by the Ordinary Shareholder Meeting forms an attachment hereto.

§ 2

It is hereby resolved to submit a motion to the PZU SA Supervisory Board to issue an opinion on the motion referred to in § 1 section 1.

§ 3

This Resolution shall come into force on the day of its adoption.

The vote was taken in an open ballot.

Number of attendees: 4. Number of votes in favor: 4. Number of votes against: 0. Number of abstentions: ...

Management Board Member

Dariusz Krzewina

RESOLUTION NO. URN/26/2015

**ADOPTED BY THE SUPERVISORY BOARD
OF POWSZECHNY ZAKŁAD UBEZPIECZEŃ
SPÓŁKA AKCYJNA**

on 21 May 2015

**in the matter of evaluation of the PZU SA Management Board's motion on a split of PZU SA shares
and amendments to the Articles of Association of PZU SA**

Pursuant to § 13 and § 25 section 2 item 19 of the Articles of Association of Powszechny Zakład Ubezpieczeń Spółka Akcyjna and § 13 section 1 item 19 of the Powszechny Zakład Ubezpieczeń Spółka Akcyjna Supervisory Board Bylaws, the following is hereby resolved:

§ 1

The PZU SA Supervisory Board hereby issues a positive opinion on the PZU SA Management Board's motion to the PZU SA Ordinary Shareholder Meeting on:

- 1) adopting a resolution on a split of all PZU SA shares by decreasing the par value of each PZU SA share (without changing PZU SA's share capital) from PLN 1 (one Polish zloty) to PLN 0.10 (ten grosz) and by increasing the number of PZU SA shares making up the Company's share capital from 86,352,300 (eighty-six million three hundred fifty-two thousand three hundred) shares with a par value of PLN 1 (one Polish zloty) each to 863,523,000 (eight hundred sixty-three million five hundred twenty-three thousand) shares with a par value of PLN 0.10 (ten grosz) each, by replacing all PZU SA shares using the ratio of 1:10;
- 2) the following amendments to the Articles of Association of PZU SA:
 - a) in § 6, section 1 currently reading as follows:

"1. The Company's share capital is PLN 86,352,300 (eighty-six million three hundred fifty-two thousand three hundred zloty) and is divided into 86,352,300 (eighty-six million three hundred fifty-two thousand three hundred) registered and bearer shares with a par value of PLN 1 (one Polish zloty) each."

shall read as follows:

"1. The Company's share capital is PLN 86,352,300 (eighty-six million three hundred fifty-two thousand three hundred zloty) and is divided into 863,523,000 (eight hundred sixty-three million five hundred twenty-three thousand) registered and bearer shares with a par value of PLN 0.10 (ten grosz) each.",
 - b) in § 24, section 3 currently reading as follows:

"3. Resolutions adopted by the Supervisory Board pursuant to the procedure referred to in section 2 shall be presented at the next Supervisory Board meeting together with the outcome of the vote."

shall read as follows:

"3. Resolutions adopted by the Supervisory Board pursuant to the procedure referred to in sections 2 and 4 shall be presented at the next Supervisory Board meeting together with the outcome of the vote.",

c) in §27:

– section 4 currently reading as follows:

“4. Subject to section 7, upon consent of the President of the Management Board, the Management Board may adopt resolutions by written procedure. A resolution adopted under this procedure shall be valid if all Management Board members have received the draft resolution with a justification. It is assumed that a resolution is adopted on the date of obtaining an absolute majority of votes in favor of the resolution.”

shall read as follows:

“4. Subject to section 7, upon consent of the President of the Management Board, the Management Board may adopt resolutions outside a meeting by written procedure or via means of direct remote communication. A resolution adopted under this procedure shall be valid if all Management Board members have received the draft resolution with a justification. It is assumed that a resolution is adopted on the date of obtaining an absolute majority of votes in favor of the resolution.”,

– section 5 currently reading as follows:

“5. The written procedure referred to in section 4 may be used by the Management Board to adopt resolutions in electronic form via means of remote communication, provided that a safe electronic signature verified through a valid qualified certificate is used. In such case, the requirements specified in section 4 shall apply.”

shall be repealed.

§ 2

This Resolution shall come into force on the day of its adoption.

The vote was taken in an open ballot.

Number of persons in attendance: 9 Number of votes in favor: 9 Number of votes against: 0 Number of abstentions: 0

Chairwoman
of the PZU SA Supervisory Board

Aleksandra Magaczewska

RESOLUTION NO. .../2015

**ADOPTED BY THE ORDINARY SHAREHOLDER MEETING
OF Powszechny Zakład Ubezpieczeń Spółka Akcyjna**

on 30 June 2015

on a split of PZU SA shares and amendments to the Articles of Association of PZU SA

Pursuant to § 18 of the Articles of Association of Powszechny Zakład Ubezpieczeń Spółka Akcyjna and Article 430 § 1 of the Commercial Companies Code, the following is hereby resolved:

§ 1

1. All PZU SA shares are hereby split by decreasing the par value of each PZU SA share from PLN 1 (one Polish zloty) to PLN 0.10 (ten grosz) and the number of PZU SA shares making up the Company's share capital will be increased from 86,352,300 (eighty-six million three hundred fifty-two thousand three hundred) shares to 863,523,000 (eight hundred sixty-three million five hundred twenty-three thousand) shares.
2. The split is effected by replacing all PZU SA shares using the ratio of 1:10. In connection with the split referred to in the first sentence, each share with a par value of PLN 1 (one Polish zloty) is replaced with 10 (ten) shares with a par value of PLN 0.10 (ten grosz) each.
3. The split of shares shall not result in a change in the amount of PZU SA's share capital.

§ 2

The following amendments to the Articles of Association of PZU SA are hereby made:

- 1) in § 6, section 1 which currently reads as follows:

"1. The Company's share capital is PLN 86,352,300 (eighty-six million three hundred fifty-two thousand three hundred zloty) and is divided into 86,352,300 (eighty-six million three hundred fifty-two thousand three hundred) registered and bearer shares with a par value of PLN 1 (one Polish zloty) each."

shall read as follows:

"1. The Company's share capital is PLN 86,352,300 (eighty-six million three hundred fifty-two thousand three hundred zloty) and is divided into 863,523,000 (eight hundred sixty-three million five hundred twenty-three thousand) registered and bearer shares with a par value of PLN 0.10 (ten grosz) each.";

- 2) in § 24, section 3 which currently reads as follows:

"3. Resolutions adopted by the Supervisory Board pursuant to the procedure referred to in section 2 shall be presented at the next Supervisory Board meeting together with the outcome of the vote."

shall read as follows:

"3. Resolutions adopted by the Supervisory Board pursuant to the procedure referred to in sections 2 and 4 shall be presented at the next Supervisory Board meeting together with the outcome of the vote.";

- 3) in § 27:

- a) section 4 currently reading as follows:

"4. Subject to section 7, upon consent of the President of the Management Board, the Management Board may adopt resolutions by written procedure. A resolution adopted under this procedure shall be valid if all Management Board members have received the draft resolution with a justification. It is assumed that a resolution is adopted on the date of obtaining an absolute majority of votes in favor of the resolution."

shall read as follows:

"4. Subject to section 7, upon consent of the President of the Management Board, the Management Board may adopt resolutions outside a meeting by written procedure or via means of direct remote communication. A resolution adopted under this procedure shall be valid if all Management Board members have received the draft resolution with a justification. It is assumed that a resolution is adopted on the date of obtaining an absolute majority of votes in favor of the resolution.",

b) section 5 currently reading as follows:

"5. The written procedure referred to in section 4 may be used by the Management Board to adopt resolutions in electronic form via means of remote communication, provided that a safe electronic signature verified through a valid qualified certificate is used. In such case, the requirements specified in section 4 shall apply."

shall be repealed.

§ 3

The Shareholder Meeting hereby obligates and authorizes the PZU SA Management Board to take all factual and legal actions necessary to effect the split of shares in accordance with § 1 and associated with the amendments to the Articles of Association of PZU SA in accordance with § 2, including actions related to:

- 1) registration of the changed number of PZU SA shares and their par value in the National Depository for Securities (Krajowy Depozyt Papierów Wartościowych S.A.);
- 2) modification of data pertaining to PZU SA shares in the system of trading on the regulated market (main market) operated by the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.);
- 3) amending the contents of PZU SA share documents for shares which have not been dematerialized in accordance with the provisions of the Act of 29 July 2005 on Trading in Financial Instruments or replacing such share documents.

§ 4

The Resolution shall come into force on the date of its adoption, subject to entering the amendments to the Articles of Association of PZU SA in the register of commercial undertakings of the National Court Register.

Chairperson
of the PZU SA Ordinary Shareholder Meeting

**Justification for the Shareholder Meeting Resolution
on a split of PZU SA shares and amendments to the articles of Association of PZU SA**

A split of shares is an operation performed by a joint stock company, involving a decrease in the par value of the company's shares while maintaining the same amount of its share capital.

A split of shares does not result in any changes in the ownership structure (stakes in the company's share capital held by its shareholders) but results in an immediate decrease in the market price of shares following the split of shares and an increase in the number of shares in circulation, yet the company's market capitalization remains unchanged.

As regards PZU SA, the shares will split using the ratio of 1:10, i.e. from PLN 1 (one Polish zloty) to PLN 0.10 (ten grosz) and the number of PZU SA shares making up the Company's share capital will be increased from 86,352,300 (eighty-six million three hundred fifty-two thousand three hundred) shares to 863,523,000 (eight hundred sixty-three million five hundred twenty-three thousand) shares.

The purpose of the split of shares is primarily to:

- a) increase the availability of shares to individual investors,
- b) diversify the shareholding structure.

Because in the PZU SA shareholding structure 18 shareholders still hold registered shares (as at 21 April 2015: 4,011 registered shares) in document form, the split of shares will make it necessary to update the data disclosed in the registered share documents in accordance with Article 358 § 1 of the Commercial Companies Code.

The data disclosed in the share documents will be updated by amending the contents of each share document following the registration of amendments to the Articles of Association of PZU SA by the National Court Register.

Any registered share documents that will not be submitted to the Company in order to have the data contained therein updated will be canceled by way of a Management Board resolution.

The next planned step following the receipt or cancellation of all registered shares will be their dematerialization and introduction to trading on a regulated market, which will eventually enable the Company to discontinue the keeping of a share book and will simplify the registration procedure for the Company's Shareholder Meeting.

Furthermore, as it is planned to introduce the possibility for the PZU SA Supervisory Board and the PZU SA Management Board to adopt resolutions outside a meeting via means of direct remote communication.

Currently, the Articles of Association of PZU SA permit the adoption of resolutions via means of direct remote communication without the need to convene a meeting only by the PZU SA Supervisory Board. However, in light of the absence of detailed specific provisions in the Supervisory Board Bylaws, in particular the absence of a list of the types of technical means and the manner of voting, such procedure of adopting resolutions by the Supervisory Board is not applied in practice.

The amendment in § 27 section 4 of the Articles of Association concerns the provision of a possibility for the Management Board to adopt resolutions outside a meeting via means of direct remote communication. Currently, the Articles of Association permit only the holding of Management Board meetings via means of direct remote communication.

If the resolution on the above amendments to the Articles of Association of PZU SA is adopted by the PZU SA Shareholder Meeting, the PZU SA Management Board and Supervisory Board will be able to adopt resolutions via means of direct remote communication, which will be of great practical significance.

Once these amendments to the Articles of Association of PZU SA have been made, a detailed procedure for adopting resolutions by the said corporate bodies without the need for convening a meeting via means of direct remote communication will be clarified in the Supervisory Board Bylaws and the Management Board Bylaws, as

appropriate. The Bylaws will also specify the types of technical means (e.g. e-mail, Internet, dedicated systems) which will be used when applying this procedure.

The proposed amendments are aimed at streamlining the operations of the Company's corporate bodies. The introduction of the said solutions will provide the Management Board and the Supervisory Board with greater flexibility and will make their decision-making process a fast and efficient one.

At the same time, a motion is submitted to repeal § 27 section 5 of the Articles of Association concerning the Management Board's voting in writing using a secure electronic signature verified with a valid qualified certificate, which solution is not used by the Company or by other market players on a widespread basis.

In turn, the proposed amendment to § 24 section 3 results from unification of the provisions of the Articles of Association with existing practice and the provisions of the PZU SA Supervisory Board Bylaws. It is proposed that Supervisory Board resolutions adopted in writing (as provided for in the Articles of Association for resolutions adopted via means of direct remote communication) be presented at the next Supervisory Board meeting together with the outcome of the vote.

Accordingly, a motion is submitted to the PZU SA Shareholder Meeting to adopt a resolution on a split of PZU SA shares and amendments to the Articles of Association of PZU SA.