

**ANNOUNCEMENT OF THE MANAGEMENT BOARD OF POWSZECHNY ZAKŁAD
UBEZPIECZEŃ SPÓŁKA AKCYJNA WITH ITS REGISTERED OFFICE IN WARSAW
ON CONVENING THE COMPANY'S EXTRAORDINARY SHAREHOLDER MEETING**

The Management Board of Powszechny Zakład Ubezpieczeń Spółka Akcyjna with its registered office in Warsaw at al. Jana Pawła II 24, 00-133 Warsaw ("PZU SA" or the "Company"), entered in the register of commercial entities kept by the District Court for the Capital City of Warsaw, 12th Commercial Division of the National Court Register, under no. KRS 0000009831, NIP: 526-025-10-49, with share capital of PLN 86,352,300, fully paid up, acting pursuant to Article 399 § 1 of the Commercial Companies Code ("CCC") and § 10 Section 2 and 5 of the Articles of Association of PZU SA, hereby convenes the Company's Extraordinary Shareholder Meeting and, in accordance with the wording of Article 402² of CCC presents the following information:

1. DATE, TIME AND PLACE OF THE SHAREHOLDER MEETING AND A DETAILED MEETING AGENDA

The Extraordinary Shareholder Meeting of PZU SA ("**ESM**" or the "**Extraordinary Shareholder Meeting**") is hereby convened on 8 February 2012 at 11:00 a.m., in Warsaw, at the Company's Headquarters on al. Jana Pawła II 24. The detailed agenda of the Extraordinary Shareholder Meeting is as follows:

1. Open the Extraordinary Shareholder Meeting.
2. Elect the Chairperson of the Extraordinary Shareholder Meeting.
3. Assert that the Extraordinary Shareholder Meeting has been convened correctly and is capable of adopting resolutions.
4. Accept the agenda.
5. Adopt a resolution to amend the Company's Articles of Association.
6. Adjourn the Extraordinary Shareholder Meeting.

2. DESCRIPTION OF PROCEDURES FOR PARTICIPATION IN THE SHAREHOLDER MEETING AND EXERCISE OF THE VOTING RIGHT

a) Right of the shareholder to request that certain matters be included in the agenda of the shareholder meeting

A shareholder or shareholders of PZU SA representing at least one twentieth of the share capital may request that certain matters be included in the agenda of the ESM. Such request should be submitted to the PZU SA Management Board no later than twenty-one days before the date of the ESM, i.e. by 18 January 2012. It should contain a justification or a draft resolution pertaining to the proposed item of the agenda. The request should be submitted to the Company's Management Board in writing at the Company's address or by e-mail, in accordance with the rules stipulated in item 7 of this announcement.

Such shareholder or shareholders should attach to their request copies of documents confirming their right to submit such request and the identity of the person or persons putting forward the request.

No later than eighteen days before the set date of the ESM, i.e. no later than on 20 January 2012, the PZU SA Management Board shall announce any amendments to the agenda introduced at the request of such shareholder or shareholders by publishing them by current report and announcing on the Company's website at <http://www.pzu.pl/> in the [Relacje inwestorskie \[Investor Relations\]](#) tab.

b) Right of the shareholder to submit draft resolutions on matters included in the agenda of the shareholder meeting or matters to be included in the agenda before the date of the shareholder meeting

A shareholder or shareholders of PZU SA representing at least one twentieth of the share capital may, before the date of the ESM submit to PZU SA in writing at the Company's address or by e-mail, in accordance with the rules stipulated in item 7 of this announcement, draft resolutions on matters included in the agenda of the ESM or matters to be included in the agenda. The Company shall promptly publish draft resolutions by current report and announce them on its website at <http://www.pzu.pl/> in the [Relacje inwestorskie \[Investor Relations\]](#) tab.

Such shareholder or shareholders should attach to their submitted draft resolutions copies of documents confirming their right to make such submissions and the identity of the person or persons submitting the draft resolutions.

c) Right of the shareholder to submit draft resolutions on matters introduced to the agenda during the shareholder meeting

Any shareholder may, during the ESM, submit draft resolutions on matters introduced to the agenda.

d) Information on the method of exercise of the voting right by an attorney-in-fact, including in particular the forms used during the voting by such attorney-in-fact, and on the method of notifying the Company, by means of electronic communication, of appointing an attorney-in-fact.

Any PZU SA shareholder may participate in the ESM and exercise the voting right personally (in the case of a legal person – by the persons entitled to submit declarations of will for and on behalf of such legal person) or by an attorney-in-fact. At the ESM, such shareholder's attorney-in-fact shall exercise all rights of the shareholder unless the power of attorney stipulates otherwise. Such attorney-in-fact may grant further powers of attorney if such right arising out of the contents of the original power of attorney. One attorney-in-fact may represent more than one shareholder and vote differently from the shares of different shareholders. If a shareholder holds shares deposited in more than one securities account, such shareholder may appoint separate attorneys-in-fact to exercise the rights attached to the shares deposited in each such account.

A power of attorney to participate in the ESM and exercise the voting right must be granted in writing or electronically. Such power of attorney granted electronically is not required to be signed with a secure electronic signature verifiable with a valid qualified certificate.

The right to represent a shareholder who is not a natural person should arise out of an official copy of the relevant register (or a copy thereof), another document confirming the right of representation entrusted to the representative(s) or a string of powers of attorney, presented, as the case may be, during the preparation of the attendance record. The person(s) granting a power of attorney on behalf of a shareholder who is not a natural person should be indicated in an up-to-date official copy of the shareholder-relevant register or in another document confirming his/her/their right or representation. It shall be supposed that a power of

attorney granted in writing and confirming the right to represent the shareholder at the ESM complies with the law and does not require any confirmation unless the chairperson of the ESM doubts its authenticity. In such case, the right is reserved to demand that the attorney-in-fact must present the original document or a copy thereof confirmed as compliant with the original by a notary or by another entity authorized to confirm documents as compliant with the original official copy of the relevant register or another document confirming the attorney-in-fact's right of representation or a string of powers of attorney to represent the shareholder at the ESM. In the event any document presented as proof of the granting of a power of attorney is drawn up in a language other than Polish, a sworn translation into Polish of such document should be attached.

The forms to be used for voting by an attorney-in-fact are available on PZU SA's website at <http://www.pzu.pl/> in the [Relacje inwestorskie \[Investor Relations\]](#) tab.

The use of such forms is not mandatory. In the event an attorney-in-fact has received voting instructions, the Company shall not verify whether or not the attorney-in-fact exercises the voting right in accordance with the instructions received from the principal.

The shareholder granting a power of attorney shall notify PZU SA by e-mail to: oi.pzu@pzu.pl.

Such electronic notice of the granting of a power of attorney should contain the business name or the full name of the principal, its/his/her phone number and e-mail address and the business name or the full name of the attorney-in-fact, its/his/her phone number and e-mail address.

Together with such notice of the granting of a power of attorney, the shareholder shall send to PZU SA the contents of the power of attorney including at least the following data: the business name or the full name of the principal, the business name or the full name of the attorney-in-fact, the number of the identity card or the passport of the attorney-in-fact who is a natural person, an expressly stated authorization for the attorney-in-fact to represent the principal at the ESM as well as the scope of such power of attorney, the number of shares from which the voting right shall be exercised, the date of the ESM at which the voting right shall be exercised, the date of granting the power of attorney and the shareholder's signature.

Available on the Company's website at <http://www.pzu.pl/> in the [Relacje inwestorskie \[Investor Relations\]](#) tab are forms of power of attorney to participate in the ESM which may be used by the shareholders.

Furthermore, if such power of attorney has been granted by an entity which is not a natural person, the electronic notice of the granting of a power of attorney sent by the shareholder to PZU SA should contain a scanned official copy of the shareholder-relevant register or another scanned document confirming the right of the persons granting the power of attorney to act on behalf of the shareholder.

If the attorney-in-fact is not a natural person, the shareholder shall additionally send to PZU SA a scanned official copy of the attorney-in-fact-relevant register or another scanned document confirming the existence of such attorney-in-fact.

All such scanned documents shall be sent by the shareholder to PZU SA in the PDF format. The sending of the aforementioned documents to PZU SA shall not relieve the attorney-in-fact of the obligation to present its/his/her identification documents during the preparation of the attendance record of shareholders entitled to participate in the ESM. In case of doubt as to the authenticity of the aforementioned documents, the PZU SA Management Board reserves the right to demand that the originals of such documents or their official copies confirmed as compliant with the original by a notary or by another entity authorized to confirm documents as compliant with their originals, be presented before the Extraordinary Shareholder Meeting begins. In the event of failure to present such documents, the shareholder's attorney-in-fact may be denied participation in the ESM.

The above rules apply accordingly to notifying PZU SA electronically of the revocation of a power of attorney. An electronic notice of granting or revoking a power of attorney should be sent to PZU SA by 3:00 p.m. on the business day immediately preceding the date of the ESM.

PZU SA shall take appropriate action to identify the shareholder and the attorney-in-fact to verify the validity of the power of attorney granted electronically, with such action being commensurate with the objective to be achieved. PZU SA shall, without limitation, have the right to establish contact, by telephone or e-mail (indicated in the notice of granting the power of attorney), in order to verify the fact of granting and the scope of the power of attorney.

An attorney-in-fact at the ESM may also be a management board member, a supervisory board member, a liquidator, a PZU SA employee or a member of any corporate authority or an employee of a PZU SA subsidiary. The power of attorney for the aforementioned persons may authorize representation only at the ESM. The attorney-in-fact shall be obligated to disclose to the shareholder any circumstances indicating the existence or the possibility of a conflict of interest. No further powers of attorney may be granted. The attorney-in-fact referred to in this paragraph shall vote in accordance with the instructions given by the shareholder.

Without prejudice to the requirements set forth in the preceding paragraph, a PZU SA shareholder may not vote as an attorney-in-fact on resolutions concerning its/his/her liability toward PZU SA on whatever account, including exoneration on the performance of duties, release from any of its/his/her obligations toward PZU SA or any dispute between it/him/her and PZU SA.

e) Possibility and method of participation in the ESM by means of electronic communication

PZU SA does not allow the possibility of participation in the ESM by means of electronic communication.

f) Information on the method of speaking during the ESM by means of electronic communication

PZU SA does not allow the possibility of speaking during the ESM by means of electronic communication.

g) Information on the method of exercising the voting right by mail or by means of electronic communication

PZU SA does not allow the possibility of exercising the voting right by mail or by means of electronic communication.

3. DATE OF REGISTRATION OF THE PARTICIPATION IN THE ESM

Pursuant to Article 406¹ § 1 of the Commercial Company Code, any persons being PZU SA's shareholders sixteen days before the date of the ESM (the "**Registration Date**"), i.e. 23 January 2012, shall have the right to participate in the ESM.

4. INFORMATION ON THE RIGHT TO PARTICIPATE IN THE ESM

Only the persons being PZU SA's shareholders on the Registration Date shall have the right to participate in the ESM.

1) Shareholders entitled under certificated shares (registered shares):

Shareholders entitled under registered shares and pledgees and users holding the voting right shall have the right to participate in the ESM provided that they are entered in the share register as at the Registration Date.

2) Shareholders entitled under uncertificated shares (bearer shares):

Shareholders entitled under uncertificated shares shall have the right to participate in the ESM provided that they request the entity keeping the securities account in which their shares are deposited to issue a name-specific certificate on the right to participate in the ESM in accordance with the rules set forth below.

Pursuant to Article 406³ § 2 of the Commercial Company Code, at the request of the shareholder entitled under the Company's uncertificated bearer shares submitted no earlier than following the publication of this announcement on convening the ESM and no later than on the first business day after the Registration Date, i.e. no later than on 24 January 2012, the entity keeping the securities account shall issue a name-specific certificate on the right to participate in the ESM.

PZU SA shall draw up a list of shareholders entitled under bearer shares to participate in the ESM based on the list prepared by Krajowy Depozyt Papierów Wartościowych S.A. [the National Securities Depository] in compliance with the regulations on trading in financial instruments.

Krajowy Depozyt Papierów Wartościowych S.A. shall prepare the aforementioned list based on the lists provided no earlier than twelve days before the date of the ESM by the entities authorized in compliance with the regulations on trading in financial instruments. The basis for drawing up the lists provided to Krajowy Depozyt Papierów Wartościowych S.A. shall be the certificates on the right of participation in the ESM.

Pursuant to Article 407 § 1 of the Commercial Companies Code, during the three business days preceding the date of the ESM, i.e. on 3, 6 and 7 February 2012, from 9:00 a.m. to 4:00 p.m., in the offices of PZU SA, the list of shareholders entitled to participate in the ESM shall be displayed for viewing.

Any shareholder may request the list of shareholders be sent to it/him/her free of charge by electronic mail, specifying the address to which the list should be sent. Such request should be sent to the following e-mail address: oi.pzu@pzu.pl. Any shareholder shall also have the right to request official copies of motions concerning matters placed on the agenda, within one week prior to the date of the ESM.

Voting cards shall be available to persons entitled to participate in the ESM on the date of the ESM in front of the meeting room from 9:00 a.m. on 8 February 2012.

5. ACCESS TO DOCUMENTATION RELATED TO THE ESM

The full text of the documentation to be presented to the ESM, the draft resolutions and the other documents referred to in Article 402² Item 5 of the Commercial Companies Code shall be available on the Company's website at <http://www.pzu.pl/> in the Relacje inwestorskie [Investor Relations] tab from the date of convening the ESM.

6. ADDRESS OF THE WEBSITE CONTAINING INFORMATION ON THE ESM

Information on the ESM shall be made available on the Company's website at <http://www.pzu.pl/> in the Relacje inwestorskie [Investor Relations] tab.

7. ELECTRONIC COMMUNICATION BETWEEN SHAREHOLDERS AND PZU SA

In matters related to the ESM, in particular:

- a) granting powers of attorney by e-mail,
- b) notifying of the granting of powers of attorney by e-mail,
- c) requesting that certain matters be entered in the agenda of the ESM,

the shareholders may contact the PZU SA Management Board by e-mail at: oi.pzu@pzu.pl.

The shareholder shall bear the risks associated with its/his/her use of electronic communication.

Any original document drawn up in a language other than Polish should have an attached sworn translation into Polish.

Any document sent to PZU SA by e-mail should be saved in the PDF format.

8. PROPOSED AMENDMENTS TO THE PZU SA ARTICLES OF ASSOCIATION

Pursuant to the requirements of Article 402 § 2 of the Commercial Company Code, the PZU SA Management Board hereby announces the proposed amendments to the PZU SA Articles of Association:

§ 18

The previous wording:

Adopting resolutions in the following matters belongs to the Shareholder Meeting's powers in addition to other matters stipulated as being within its powers in accordance with a statute or the Articles of Association:

- 1) examination and approval of the Management Board's report on the Company's activity and the financial statement for the previous financial year and granting a discharge to individual members of the Company's corporate bodies on the performance of their duties,
- 2) distribution of profit or covering the loss,
- 3) decisions on claims to remedy damages incurred during the incorporation of the Company or in its administration or oversight,
- 4) sale or lease of the enterprise or an organized part thereof and establishment of a limited material right thereon,
- 5) retirement of shares,
- 6) issue of bonds,
- 7) establishment of reserve capital accounts and decision on their allocation or manner of allocation,
- 8) division of the Company, merger of the Company with another company, winding up or dissolving the Company,
- 9) appointment and dismissal of Supervisory Board members, without prejudice to §20,
- 10) establishment of the rules for remunerating the Supervisory Board members.

The proposed wording:

Adopting resolutions in the following matters belongs to the Shareholder Meeting's powers in addition to other matters stipulated as being within its powers in accordance with a statute or the Articles of Association:

- 1) examination and approval of the Management Board's report on the Company's activity and the financial statement for the previous financial year and granting a discharge to individual members of the Company's corporate bodies on the performance of their duties,
- 2) distribution of profit or covering the loss,
- 3) decisions on claims to remedy damages incurred during the incorporation of the Company or in its administration or oversight,
- 4) sale or lease of the enterprise or an organized part thereof and establishment of a limited material right thereon,
- 5) retirement of shares,
- 6) issue of bonds,
- 7) establishment of reserve capital accounts and decision on their allocation or manner of allocation,
- 8) division of the Company, merger of the Company with another company, winding up or dissolving the Company,
- 9) appointment and dismissal of Supervisory Board members, without prejudice to §20,
- 10) establishment of the rules for remunerating the Supervisory Board members,
- 11) purchase or sale of real estate, perpetual usufruct or a share in real estate or perpetual usufruct by the Company whose value exceeds the equivalent of EUR 30,000,000, (EUR thirty million) gross.

§ 25 sec. 2 item 12**The previous wording:**

- 12) granting consent to the purchase or sale of real estate, a perpetual usufruct right or a share in real estate or a perpetual usufruct right whose value exceeds the equivalent of EUR 3,000,000,

The proposed wording:

- 12) granting consent to the purchase or sale of real estate, a perpetual usufruct right or a share in real estate or a perpetual usufruct right whose value exceeds the equivalent of EUR 3,000,000, (EUR three million) gross,.