

**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 of the Articles of Association of PZU SA in accordance with Article 400 § 1 of CCC, hereby convenes the Company's Extraordinary Shareholder Meeting and, in accordance with the wording of Article 402<sup>2</sup> 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 for 11:00 a.m. on 1 June 2011 in Warsaw in the offices of PZU SA at 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.

The proposed amendments to PZU SA's Articles of Association referred to in item 5 of the agenda are presented in item 8 of this announcement.

**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 11 May 2011. 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 14 May 2011, 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](mailto: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 406<sup>1</sup> § 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. 16 May 2011, 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 406<sup>3</sup> § 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 17 May 2011, 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 27, 30 and 31 May 2011, 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](mailto: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 10:30 a.m. on 1 June 2011.

#### **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 402<sup>2</sup> 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](mailto: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:

### **§ 10 sec. 5**

#### **The previous wording:**

5. The Shareholder Meeting shall be convened:
  - 1) before the day when the Company acquires the status of a public company within the meaning of the regulations of the Act of 29 July 2005 on Public Offerings and the Conditions for Offering Financial Instruments in an Organized Trading System and on Public Companies by a single announcement in the Court and Economic Gazette [Polish: Monitor Sądowy i Gospodarczy] made at least three weeks before the date of the Shareholder Meeting;
  - 2) from the day when the Company acquires the status of a public company within the meaning of the regulations of the Act referred to in item 1, by an announcement made on the Company's website at least twenty-six days before the date of the Shareholder Meeting and in the manner prescribed for transmitting current information pursuant to the Act of 29 July 2005 on Public Offerings and the Conditions for Offering Financial Instruments in an Organized Trading System and on Public Companies.

#### **The proposed wording:**

5. The Shareholder Meeting shall be convened by an announcement made twenty six days before the Shareholder Meeting's date, on the Company's website and in the manner specified for publication of current information according to the Act of 29 July 2005 on Public Offerings and the Conditions for Offering Financial Instruments in an Organized Trading System and on Public Companies

## **§ 11 sections 2 and 3**

### **The previous wording:**

2. The request referred to in Section 1 should be filed with the Management Board at least:
  - 1) fourteen days before the designated date of the Shareholder Meeting, before the day when the Company acquires the status of a public company within the meaning of the regulations of the Act of 29 July 2005 on Public Offerings and the Conditions for Offering Financial Instruments in an Organized Trading System and on Public Companies, or
  - 2) twenty one days before the date of the Shareholder Meeting is determined, from the day when the Company acquires the status of a public company within the meaning of the regulations of the Act referred to in item 1.
3. The Management Board shall immediately, but not later than:
  - 1) four days before the designated date of the Shareholder Meeting, before the day when the Company acquires the status of a public company within the meaning of the regulations of the Act of 29 July 2005 on Public Offerings and the Conditions for Offering Financial Instruments in an Organized Trading System and on Public Companies;
  - 2) eighteen days before the designated date of the Shareholder Meeting, from the day when the Company has obtained the status of a public company within the meaning of the regulations of the Act referred to in item 1,
    - announce changes to the agenda inserted at the request of the Supervisory Board or shareholders. The announcement shall be made in the manner specified in § 10 Section 5.

### **The proposed wording:**

2. The request mentioned in Section 1 should be submitted to the Management Board no later than twenty one days before the set date of the Shareholder Meeting.
3. The Management Board shall announce any changes in the agenda of the meeting, made upon request of the Supervisory Board, a shareholder or shareholders, immediately, but no later than four days before the set date of the Shareholder Meeting. The announcement shall be made in the manner specified in § 10 Section 5.

## **§ 12 sec. 2**

### **The previous wording:**

2. As of the date when the Company acquires the status of a public company within the meaning of the regulations of the Act of 29 July 2005 on Public Offerings and the Conditions for Offering Financial Instruments in an Organized Trading System and on Public Companies, a shareholder or shareholders of the Company representing at least one twentieth of the share capital may, before the date of the Shareholder Meeting, file with the Company in writing or electronic form draft resolution regarding items inserted or to be inserted on the agenda of the Shareholder Meeting. The Company shall immediately announce draft resolutions on its website.

### **The proposed wording:**

2. A shareholder or shareholders of the Company representing at least one twentieth of the share capital may, before the date of the Shareholder Meeting, file with the

Company in writing or electronic form draft resolution regarding items inserted or to be inserted on the agenda of the Shareholder Meeting. The Company shall immediately announce draft resolutions on its website.

## **§ 13**

### **The previous wording:**

All matters brought by the Management Board for deliberation at the Shareholder Meeting should first be presented to the Supervisory Board for examination and opinion. The Supervisory Board's opinions are presented to the Shareholder Meeting no later than prior to opening its meeting along with the other documents transmitted to the shareholders participating in the Shareholder Meeting, while from the date when the Company obtains the status of a public company within the meaning of the regulations of the Act of 29 July 2005 on Public Offerings and the Conditions for Offering Financial Instruments in an Organized Trading System and on Public Companies, they are made available on the Company's website.

### **The proposed wording:**

All matters brought by the Management Board for deliberation at the Shareholder Meeting should first be presented to the Supervisory Board for examination and opinion. The Supervisory Board's opinions are presented to the Shareholder Meeting no later than prior to opening its meeting along with the other documents transmitted to the shareholders participating in the Shareholder Meeting and they are made available on the Company's website.

## **§ 16**

### **The previous wording:**

1. Shareholder Meeting resolutions concerning the following issues require a three-fourths majority of votes:
  - 1) amending the Articles of Association;
  - 2) reducing the share capital;
  - 3) selling or leasing the enterprise or an organized part thereof and establishing a limited material right thereon;
  - 4) dissolving the Company, unless it is carried out pursuant to the procedure under Article 397 of the Commercial Company Code, in which case an absolute majority of votes shall suffice.
2. Until the Company acquires the status of a public company within the meaning of the regulations of the Act of 29 July 2005 on Public Offerings and the Conditions for Offering Financial Instruments in an Organized Trading System and on Public Companies, a majority of at least four-fifth of votes shall be required to adopt a Shareholder Meeting resolution:
  - 1) repealing a resolution entailing giving consent to record the Company's shares electronically in accordance with the Act of 29 July 2005 on Trading Financial Instruments, Registration of the Company's Shares in a Securities Depository and Applying for Admitting the Company's Shares to Be Traded on the Regulated Market, and
  - 2) repealing a resolution entailing an authorization for the Management Board, or a



resolution otherwise leading to a limitation or expiry of the Management Board's authorization, to undertake any and all factual and legal transactions aimed at recording the Company's shares electronically (pursuant to the Act of 29 July 2005 on Trading Financial Instruments), registration of the Company's shares with the securities depository and applying for admission of the Company's shares to be traded on the regulated market.

3. Shareholder Meeting resolutions on other business than stated in Sections 1 and 2 above shall be adopted by an absolute majority of votes unless the Articles of Association or an act stipulates otherwise.

**The proposed wording:**

1. Shareholder Meeting resolutions concerning the following issues require a three-fourths majority of votes cast:
  - 1) amending the Articles of Association;
  - 2) reduction of share capital, subject to sec. 2,
  - 3) sale or lease of the enterprise or an organized part thereof and establishment of a limited material right thereon.
2. Shareholder Meeting resolutions in the matter of introducing the preference of shares and in the matter of the Company's merger by transferring all of its assets to another company or merger by establishing a new company, dissolution of the Company (also as a result of moving the Company's registered office or its main establishment abroad), its liquidation, transformation and reduction of its share capital by retirement of a portion of shares without its simultaneous increase, require the majority of 90% of the votes cast.
3. Shareholder Meeting resolutions on other business than stated in Sections 1 and 2 above shall be adopted by an absolute majority of votes unless the Articles of Association or an act stipulates otherwise.
4. The resolution to abolish dematerialization of the Company's shares shall be adopted with the majority of 4/5 of votes cast when at least half of the share capital is represented.
5. The shareholders' voting right shall be restricted in a way that no shareholder may exercise at the Shareholder Meeting more than 10% of the overall number of votes existing in the Company on the date of the Shareholder Meeting, with a reservation that, for the purposes of determining the obligations of the buyers of large blocks of shares according to the Act of 29 July 2005 on Public Offerings and the Conditions for Offering Financial Instruments in an Organized Trading System and on Public Companies and the Insurance Activity Act of 22 May 2003, such restriction of the voting right will be deemed non-existent.
6. The voting right restriction mentioned in section 5 shall not apply to the shareholders specified in § 37 section 1.
7. For the purposes of restricting the voting right according to section 5, the votes of the shareholders connected by a parent or subsidiary relationship are added up according to the principles described below.
8. A shareholder within the meaning of section 5 is any person, including its parent company and subsidiary, which holds a direct or indirect voting right at the Shareholder Meeting under any legal title; this also applies to a person holding no shares in the Company, in particular a user, lien holder, beneficiary under a depository receipt within the meaning of the Act of 29 July 2005 on Trading Financial Instruments, and a person authorized to take part in the Shareholder Meeting despite selling the shares after the date when the right to participate in the Shareholder Meeting was determined.

9. The parent company and the subsidiary shall mean, respectively, a person:
  - 1) meeting the prerequisites enumerated in Article 4 § 1 item 4) of the Commercial Company Code,
  - 2) having the status of a parent entrepreneur, subsidiary entrepreneur or a parent and subsidiary entrepreneur simultaneously, within the meaning of the Competition and Consumer Protection Act of 16 February 2007; or
  - 3) having the status of a parent, higher-level parent, a subsidiary or a lower-level subsidiary or a co-subsidiary or an entity which is both parent (including a higher-level parent) and subsidiary (including a lower-level subsidiary and co-subsidiary) within the meaning of the Accountancy Act of 29 September 1994; or
  - 4) exerting decisive influence (parent) or on which such decisive influence is exerted (subsidiary) within the meaning of the Act of 22 September 2006 on Transparency of Financial Relationships between Public Authorities and Public Entrepreneurs and on Financial Transparency of Certain Entrepreneurs; or
  - 5) whose votes under the Company's shares held directly or indirectly are subject to aggregation with votes of another person or other persons according to the principles set forth in the Act of 29 July 2005 on Public Offerings and the Conditions for Offering Financial Instruments in an Organized Trading System and on Public Companies, in connection with the holding, selling or purchasing significant blocks of the Company's shares.
10. The shareholders whose votes are aggregated and reduced according to the provisions of sections 7-9 are jointly referred to as a Grouping. The aggregation of votes involves adding up the votes of the respective shareholders comprising a Grouping. The reduction of votes involves reducing the overall number of votes in the Company to which the shareholders comprising the Grouping are entitled to at the Shareholder Meeting. The votes shall be reduced according to the following principles:
  - 1) the number of votes of the shareholder holding the largest number of votes in the Company among all of the shareholders comprising the Grouping shall be reduced by the number of votes equal to the surplus over 10% of the total number of votes in the Company to which all the shareholders comprising the Grouping are entitled.
  - 2) if the total number of votes at the Shareholder Meeting to which the shareholders comprising the Grouping continues to exceed the threshold specified in section 5, despite the reduction mentioned in item 1) above, the votes held by the remaining shareholders comprising the Grouping shall be reduced. The votes held by the respective shareholders shall be further reduced following the order determined by the number of votes held by the shareholders comprising the Grouping (from the highest to the lowest number of votes). Further reduction is performed until a situation is achieved in which the overall number of votes held by the shareholders comprising the Grouping no longer exceeds 10% of the overall number of votes in the Company;
  - 3) if the vote reduction order cannot be determined for the purpose of the reduction mentioned in item 1) or item 2), due to the fact that two or more shareholders hold the same number of votes, then the votes held by the shareholders with the same number of votes shall be reduced pro rata, while any fractions shall be rounded down to a full share. The principles set forth in item 1) or item 2) shall be applied accordingly;
  - 4) in any case, a shareholder whose exercise of its voting rights has been restricted, shall keep the right to exercise at least one vote;

- 5) the restriction of exercise of the voting right shall also apply to shareholders absent from the Shareholder Meeting.
11. In order to determine the basis for the aggregation and reduction of votes, each Company shareholder, the Management Board, the Supervisory Board and the individual members of those bodies as well as the Shareholder Meeting Chairperson may request that a Company shareholder subject to the voting right restriction principle provide information whether it is a parent or subsidiary, within the meaning of section 9, to any other shareholder of the Company. The right mentioned in the previous sentence shall also apply to the right to demand disclosure of the number of votes held by the Company shareholder individually or jointly with other Company shareholders, for which it is a parent or a subsidiary within the meaning of section 9. Until the default on the information duty is remedied, a person failing to perform the information duty mentioned in the first sentence or performing it unduly may exercise its voting right on a single share only and exercise of the voting right on the remaining shares by such a person shall be ineffective.
12. In the event of doubts, the provisions regarding the restriction of the voting right shall be subject to interpretation according to Article 65 § 2 of the Civil Code.
13. From the moment the stake of the shareholder defined in § 37 section 1 item 1) in the Company's share capital drops below the 5% level, the restrictions on the shareholders' voting rights set forth in section 5 shall expire.

## **§ 18**

### **The previous wording:**

1. 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 and, as long as the State Treasury is the owner of more than 50% (fifty percent) of the shares, upon request of the Supervisory Board, establishment of the rules for remunerating Management Board members and of their remuneration,

- 11) for the Company to purchase or sell real estate, perpetual usufruct or a share in real estate or perpetual usufruct with a value exceeding the equivalent of EUR 30,000,000, without prejudice to Section 2.
2. From the date on which the Company's shares are offered to be traded on the regulated market under the Act on Trading Financial Instruments of 29 July 2005, the purchase or sale of real estate, perpetual usufruct or a share in real estate or perpetual usufruct by the Company does not require the consent of the Shareholder Meeting.

**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.

**§ 20**

**The previous wording:**

1. Subject to Section 2, the Supervisory Board shall consist of seven to nine members; the Shareholder Meeting shall specify the number of Supervisory Board members by a separate resolution. Supervisory Board members are appointed for a joint term of office, which encompasses three consecutive full financial years. The Supervisory Board shall elect the Supervisory Board Chairman and Deputy Chairman from among the Supervisory Board members.
2. The Supervisory Board elected by group voting shall be composed of five members in the period from the day following the date of the initial listing of the Company's shares on the regulated market within the meaning of the provisions of the Act of 29 July 2005 on Trading Financial Instruments or from the date following the day when the interest held by Eureka B.V. in the Company's share capital falls below 13%, depending on which of these dates occurs first.
3. Without prejudice to Section 5, Supervisory Board members are appointed and dismissed by the Shareholder Meeting, however, until the day when the Company's

shares are offered to be traded on the regulated market within the meaning of the provisions of the Act on Trading Financial Instruments of 29 July 2005, one Supervisory Board member should have experience in carrying out the process of public offerings of securities and meet the independence criteria referred to in section 7 item 9 indent 4 with respect to the Company's Shareholders holding at least 15 % of its shares ("Independent Expert").

4. A motion to appoint a Supervisory Board member shall be submitted to the Management Board, however, if this motion is submitted at the Shareholder Meeting whose object is to elect the Supervisory Board, then this motion, to be valid, should be submitted to the Chairman of the Shareholder Meeting immediately upon his election, however, not later than before commencing the voting to elect Supervisory Board members. Each one of these motions shall be put to a separate vote.
5. From the moment when State Treasury's interest in the Company falls below 50% of all issued shares, the State Treasury shall have the right, in accordance with Article 354 § 1 of the Commercial Company Code, to appoint and dismiss one Supervisory Board member by a written representation submitted to the Company's Management Board. Such appointment or dismissal shall be effective from the moment of delivering the pertinent representation to the Management Board and shall not require a Shareholder Meeting resolution. The State Treasury's right shall expire at the time when it ceases to be a shareholder in the Company.
6. The State Treasury's right referred to in Section 5 shall not deprive the State Treasury of the right to participate in voting to elect other Supervisory Board members according to the principles contemplated by the regulations of law and the Articles of Association.
7. At least one Supervisory Board member must meet the independence criteria (Independent Members). The independence criteria are met in the case of a person who:
  - 1) has not been a member of the Company's Management Board, or its commercial proxy during the five years prior to the date of election to be a Supervisory Board member;
  - 2) has not been employed as a manager or director officially reporting to the Management Board or the President of the Management Board in the Company or an entity related to the Company within the meaning of accounting regulations within the three years preceding the day of being elected to be a Supervisory Board member;
  - 3) does not receive any remuneration from the Company or an entity related to the Company other than for performing the duties of a Supervisory Board member;
  - 4) is not a Company shareholder or a shareholder, member or entity holding other ownership titles in an entity related to the Company within the meaning of the provisions of the Accounting Act of 29 September 1994;
  - 5) is not authorized to represent such an entity referred to in item 4;
  - 6) does not maintain and for at least 1 year preceding the date of election to be a Supervisory Board member did not maintain significant commercial relationships with the Company or an entity related to the Company, where significant commercial relationships mean those whose value exceeds 5% of the Company's revenues for the last financial year;
  - 7) has not participated for the three years preceding the date of election to be a Supervisory Board member in keeping the Company's accounting ledgers or in preparing its financial statements;
  - 8) is not and has not been for the three years preceding the date of election to be a

Supervisory Board member employed in an entity that audits the Company's financial statements;

- 9) is not a member of a managing body or a commercial proxy of an entity in which a Company Management Board member or a Company commercial proxy holds the function of a Supervisory Board member;
- 10) has not served more than three consecutive terms in the Supervisory Board;
- 11) is not related by blood or marriage in a direct line up to the second order or some other person closely related to:
  - a) a member of the Company's Management Board, Supervisory Board or entity related to the Company,
  - b) a commercial proxy of the Company or an entity related to the Company,
  - c) a person employed in the position of manager or director officially reporting to the Management Board or the President of the Management Board in the Company or an entity related to the Company, or
  - d) a Company shareholder holding shares in the Company representing at least 5% of the Company's share capital;

where a closely related person means a person referred to in the provisions of the Act on Trading Financial Instruments of 29 July 2005 and

- 12) does not employ any of the persons referred to in item 11 to conduct financial review activities within the meaning of the regulations of the Act of 7 May 2009 on Statutory Auditors and Their Self-Regulatory Body, Approved Entities to Audit Financial Statements and Public Oversight.
8. An Independent Member of the Supervisory Board is obliged to submit a written representation to the Company on meeting all the independence criteria along with an obligation to notify the Company immediately about ceasing to meet the independence criteria.
  9. Until the Company's shares are offered to be traded on the regulated market within the meaning of the provisions of the Act on Trading Financial Instruments of 29 July 2005, the Supervisory Board shall appoint a 3-person initial public offering committee (IPO Committee) according to the procedure in article 390 § 1 in fine of the Commercial Company Code. The Independent Expert shall be the IPO Committee Chair. A Supervisory Board resolution shall specify the detailed tasks and rules of appointment and operation of the IPO Committee.
  10. The Supervisory Board shall appoint an audit committee. The Supervisory Board shall specify the detailed tasks and rules of appointment and operation of the audit committee, where the Supervisory Board when electing the members of the audit committee shall take into consideration the competence and experience of the candidates within the scope of affairs with which the committee deals. The audit committee shall consist of three members, including at least one Independent Member holding qualifications in accounting or financial review within the meaning and in accordance with the Act of 7 May 2009 on Statutory Auditors and Their Self-Regulatory Body, Approved Entities to Audit Financial Statements and Public Oversight.
  11. After offering the Company's shares to be traded on the regulated market within the meaning of the provisions of the Act on Trading Financial Instruments of 29 July 2005, the Supervisory Board may appoint a nomination and compensation committee. The detailed rules for the appointment and operation of the nomination and compensation committee shall be defined by a Supervisory Board resolution. The nomination and compensation committee shall comprise at least one Independent Member. In the event that the Supervisory Board elected by group voting is composed of 5 members,

the nomination and compensation committee shall not be appointed, while the Supervisory Board in its full composition shall perform its tasks.

12. In that event that as a result of the expiration of the mandate of a Supervisory Board member, the number of Supervisory Board members falls below the minimum number prescribed by Section 1 above, the Management Board shall convene a Shareholder Meeting immediately to supplement the Supervisory Board's composition. In the event of the expiration of the mandate of even one Supervisory Board member elected by group voting, the State Treasury shall regain the individual right referred to in section 5.

**The proposed wording:**

1. Subject to Section 2, the Supervisory Board consists of 7 to 11 members. Subject to § 37 Section 5, the number of Supervisory Board members shall always be odd; the Shareholder Meeting shall specify the number of Supervisory Board members by a separate resolution. Supervisory Board members are appointed for a joint term of office, which encompasses three consecutive full financial years. The Supervisory Board shall elect the Supervisory Board Chairman and Deputy Chairman from among the Supervisory Board members.
2. At least one Supervisory Board Member must hold qualifications in accounting or financial review within the meaning and in accordance with the Act of 7 May 2009 on Statutory Auditors and Their Self-Regulatory Body, Approved Entities to Audit Financial Statements and Public Oversight.
3. The Supervisory Board elected by group voting consists of five members.
4. Subject to section 7, Supervisory Board members are appointed and dismissed by the Shareholder Meeting.
5. Half of the Supervisory Board members appointed based on the procedure set forth in section 4 shall be selected from among the persons named by the shareholder specified in § 37 section 2.
6. A motion to appoint a Supervisory Board member shall be submitted to the Management Board, however, if this motion is submitted at the Shareholder Meeting whose object is to elect the Supervisory Board, then this motion, to be valid, should be submitted to the Chairman of the Shareholder Meeting immediately upon his election, however, not later than before commencing the voting to elect Supervisory Board members. Each one of these motions shall be put to a separate vote.
7. The State Treasury shall have the right, in line with Article 354 § 1 of the Commercial Company Code, to appoint and dismiss one Supervisory Board Member by way of a written statement submitted to the Company's Management Board. Such appointment or dismissal shall be effective from the moment of delivering the pertinent representation to the Management Board and shall not require a Shareholder Meeting resolution. The State Treasury's right shall expire at the time when it ceases to be a shareholder in the Company.
8. At least one Supervisory Board member must meet the independence criteria (Independent Members). The independence criteria are met in the case of a person who:
  - 1) has not been a member of the Company's Management Board, or its commercial proxy during the five years prior to the date of election to be a Supervisory Board member;
  - 2) has not been employed as a manager or director officially reporting to the Management Board or the President of the Management Board in the Company or an entity related to the Company within the meaning of accounting regulations within the three years preceding the day of being elected to be a Supervisory

Board member;

- 3) does not receive any remuneration from the Company or an entity related to the Company other than for performing the duties of a Supervisory Board member;
  - 4) is not a Company shareholder or a shareholder, member or entity holding other ownership titles in an entity related to the Company within the meaning of the provisions of the Accounting Act of 29 September 1994;
  - 5) is not authorized to represent such an entity referred to in item 4);
  - 6) does not maintain and for at least 1 year preceding the date of election to be a Supervisory Board member did not maintain significant commercial relationships with the Company or an entity related to the Company, where significant commercial relationships mean those whose value exceeds 5% of the Company's revenues for the last financial year;
  - 7) has not participated for the three years preceding the date of election to be a Supervisory Board member in keeping the Company's accounting ledgers or in preparing its financial statements;
  - 8) is not and has not been for the three years preceding the date of election to be a Supervisory Board member employed in an entity that audits the Company's financial statements;
  - 9) is not a member of a managing body or a commercial proxy of an entity in which a Company Management Board member or a Company commercial proxy holds the function of a Supervisory Board member;
  - 10) has not served more than three consecutive terms in the Supervisory Board;
  - 11) is not related by blood or marriage in a direct line up to the second order or some other person closely related to:
    - a) a member of the Company's Management Board, Supervisory Board or entity related to the Company,
    - b) a commercial proxy of the Company or an entity related to the Company,
    - c) a person employed in the position of manager or director officially reporting to the Management Board or the President of the Management Board in the Company or an entity related to the Company, or
    - d) a Company shareholder holding shares in the Company representing at least 5% of the Company's share capital, where a closely related person means a person referred to in the provisions of the Act on Trading Financial Instruments of 29 July 2005 and
  - 12) does not employ any of the persons referred to in item 11) to conduct financial review activities within the meaning of the regulations of the Act of 7 May 2009 on Statutory Auditors and Their Self-Regulatory Body, Approved Entities to Audit Financial Statements and Public Oversight.
9. An Independent Member of the Supervisory Board is obliged to submit a written representation to the Company on meeting all the independence criteria along with an obligation to notify the Company immediately about ceasing to meet the independence criteria.
10. The Supervisory Board shall appoint an audit committee. The Supervisory Board shall specify the detailed tasks and rules of appointment and operation of the audit committee, where the Supervisory Board when electing the members of the audit committee shall take into consideration the competence and experience of the candidates within the scope of affairs with which the committee deals. The audit



committee shall consist of three members, including at least one Independent Member and at least one member holding qualifications in accounting or financial review within the meaning and in accordance with the Act of 7 May 2009 on Statutory Auditors and Their Self-Regulatory Body, Approved Entities to Audit Financial Statements and Public Oversight.

11. The Supervisory Board may appoint a nomination and compensation committee. The detailed rules for the appointment and operation of the nomination and compensation committee shall be defined by a Supervisory Board resolution. The nomination and compensation committee shall comprise at least one Independent Member. In the event that the Supervisory Board elected by group voting is composed of 5 members, the nomination and compensation committee shall not be appointed, while the Supervisory Board in its full composition shall perform its tasks.
12. In that event that as a result of the expiration of the mandate of a Supervisory Board member, the number of Supervisory Board members falls below the minimum number prescribed by Section 1 above, the Management Board shall convene a Shareholder Meeting immediately to supplement the Supervisory Board's composition. In the event of the expiration of the mandate of even one Supervisory Board member elected by group voting, the State Treasury shall regain the individual right referred to in section 7.

#### **§ 25 sec. 2 items 3 and 4**

##### **The previous wording:**

- 3) submitting a written report to the Shareholder Meeting on the results of the evaluation referred to in items 1 and 2, a concise annual assessment of the Company's standing with an assessment of its internal control system and the Company's system of managing significant risk and an annual report on the Supervisory Board's work,
- 4) as long as the State Treasury is the owner of more than 50% (fifty percent) of the shares, concluding agreements with Management Board members and submitting motions to the Shareholder Meeting to set the rules for remunerating Management Board members and to set their remuneration, and after the State Treasury ceases to own more than 50% (fifty percent) of the shares – concluding, terminating and amending agreements with Management Board members and setting the rules for remunerating them and the amount of their remuneration,

##### **The proposed wording:**

- 3) submitting a written report to the Shareholder Meeting on the results of the evaluation referred to in items 1 and 2, a concise annual assessment of the Company's standing with an assessment of its internal control system and the Company's system of managing significant risk and an annual report on the Supervisory Board's work,
- 4) concluding, terminating and amending agreements with Management Board members and setting the rules for their compensation;

#### **§ 25 sec. 2 item 13**

##### **The previous wording:**

- 13) granting consent for the Company to conclude with an entity related to the Company a significant agreement within the meaning of the provisions regarding current and periodic information submitted by issuers of securities admitted to be traded on a regulated market, excluding typical agreements concluded by the Company on market terms under its operational activity, subject to section 3;

**The proposed wording:**

- 13) granting consent for the Company to conclude with an entity related to the Company a significant agreement within the meaning of the provisions regarding current and periodic information submitted by issuers of securities admitted to be traded on a regulated market, excluding typical agreements concluded by the Company on market terms under its operational activity;

**§ 25 section 3**

**The previous wording:**

3. The provisions of section 2 item 3 with respect to a concise annual assessment of the Company's standing and the Supervisory Board's annual activity report and item 13 shall come into force as of the day when the Company's shares are offered to be traded on a regulated market within the meaning of the Act of 29 July 2009 on Trading Financial Instruments.

**Proposed deletion in § 25 section 3**

**§ 36 sections 2 and 3**

**The previous wording:**

2. The Shareholder Meeting sets the day according to which the list of shareholders entitled to a dividend for a given financial year is determined (dividend date) as well as the day of dividend distribution. The dividend date should be set as at the date of adoption of the profit distribution resolution or as the date within the following period:
  - 1) not later than within two months counting from the date of adopting the resolution – until the day when the Company obtains the public company status within the meaning of the Act of 29 July 2005 on Public Offerings and the Conditions for Offering Financial Instruments in an Organized Trading System and on Public Companies,
  - 2) within the three months counting from the date on which the Company acquired the status of a public company within the meaning of the regulations of the Act referred to in item 1, subject to section 3 below.
3. From the day the Company's shares were admitted to be traded on the regulated market within the meaning of the Financial Instruments Trading Act of 29 July 2005, an Ordinary Shareholder Meeting resolution preventing distribution of the dividend within no more than 15 business days after the dividend date should contain a detailed justification in this respect.

**The proposed wording:**

2. The Shareholder Meeting sets the day according to which the list of shareholders entitled to a dividend for a given financial year is determined (dividend date) as well as the day of dividend distribution. The dividend date should be set as at the date of adoption of the profit distribution resolution or the date no later than within 3 months of adopting the resolution.
3. An Ordinary Shareholder Meeting resolution preventing distribution of the dividend within no more than 15 business days after the dividend date should contain a detailed justification in this respect.

**A proposal to add Chapter VII reading as follows:**

## **VII. Final Provisions**

### **§ 37**

1. The voting right restriction referred to in § 16 sec. 5 shall not apply to:
  - 1) the shareholders holding the voting rights under shares representing over 10% of the overall number of votes in the Company on the date of adopting the Shareholder Meeting resolution introducing the restriction;
  - 2) the shareholders acting along with the shareholders specified in item 1 under the concluded arrangements regarding the joint exercise of the voting right under the shares.
2. The right defined in § 20 Section 5 shall only be vested in the shareholder, who holds the highest stake in the Company's share capital on the date of adopting the Shareholder Meeting introducing this right.
3. The right defined in § 20 Section 5 shall only be vested in the shareholder referred to in section 2 until the shareholder's stake in the Company's share capital drops below 20%.
4. Upon expiration of the right vested in the shareholder mentioned in section 2 pursuant to section 3, the right set forth in § 20 section 5 shall be vested in a different shareholder with the highest stake in the Company's share capital, provided that the shareholder holds at least 20% of the share capital.
5. Should the shareholder fail to exercise the right mentioned in § 20 section 7, the Supervisory Board may operate in the composition appointed pursuant to § 20 section 4. The above does not prevent the possibility of adding to the Supervisory Board's composition following the procedure of § 20 section 7.

### **§ 38**

Should the prerequisites referred to in § 37 sections 2 – 4 fail to occur, the Supervisory Board, subject to § 20 sec. 7, shall be appointed by the Shareholder Meeting on general terms.