

**REGULATIONS
of the Supervisory Board Of Kredyt Bank S.A. (uniform text)**

Approved by the General Assembly on 2011.

§ 1

The Supervisory Board of Kredyt Bank S.A., acts on the basis of the Law of 15 September 2000 (Journal of Laws no 94, item 1037 of 8.11.2000) – The Code of commercial companies, the By-laws of the Kredyt Bank S.A. and these Regulations.

§ 2

- 1) The Supervisory Board shall exercise a permanent supervision over the Bank's activities in all aspects of its business. Duties of the Supervisory Board, besides those resulting from valid and binding provisions of the Code of commercial companies, shall include:
 1. appointing and recalling the President of the Management Board of the Bank, and, upon his motion or with his consent, Deputy Presidents and members of the Bank's Management Board, in compliance with requirements set forth in the provisions of Banking law;
 2. considering all motions and matters that require a resolution of the General Assembly;
 3. **appoint, upon the recommendation of the Audit, Risk and Compliance Committee an entity entitled to examine financial statement, as well as consolidated financial statement of the capital group,**
 4. approving long-term development programs of the Bank as well as annual economic and financial plans of the Bank's activity;
 5. approve the Bank's policy referring to incurring and granting credits, **loans and guarantees, acquisition and alienation of debentures, including mode of taking decisions and competences within the above matters of value exceeding 5 % of Bank's own funds,**
 6. setting the limits of the Bank's exposure to credit and guarantee activities;
 7. granting the Bank's Management Board general and specific authorizations to purchase participations or shares in banks and commercial law companies in Poland and abroad as well as authorizations to establish such companies;
 8. issuing and approving regulations provided for in the By-laws;
 9. exercising a supervision over introducing internal audit system as well as the assessment of its adequacy and effectiveness,
 10. granting authorization to pay advances on account of dividend,
 11. **grant, upon a proposal of Management Board, a consent to incur obligation or to dispose of any assets, which total value in proportion to a single entity will exceed 5% of Bank's own funds with the reservation of point 5) above and § 29 sec. 3 of the Statutes of Kredyt Bank S.A.**

**Enclosure No. 1 to the Resolution No 28/2011
of the Ordinary General Assembly
of Kredyt Bank S.A. dated May 25, 2011.**

The Supervisory Board exercises supervision over Bank's internal control, risk management as well as over capital adequacy. The responsibilities of the Supervisory Board include in particular:

1. the assessment of effectiveness and compliance of the Management Board's actions with the Supervisory Board's policy in overseeing the Bank's activities;
2. approving the Bank's strategy as well as the principles for prudential and stable Bank management;
3. approving the Bank's internal procedures relating to the processes of assessing internal capital, capital management and capital planning;
4. approving the rules of exercising internal control;
5. supervision over established by the Management Board rules of mapping activities into business lines for the purposes of calculating the capital requirement for operational risk by applying the standardized method;
6. approval of the Bank's disclosure policy relating to capital adequacy established by the Management Board;
7. approving the Bank's overall risk level;
8. overseeing the management of compliance risk understood as the consequence of non-conformity with laws, internal regulations and standards of conduct adopted by the Bank;
9. approving the assumptions of the Bank's policy relating to compliance risk as well as assessing at least annually the effectiveness of the Bank's compliance risk management;
10. overseeing the Bank's policy compliance in respect of risk taking with the bank's strategy and financial plan;
11. approving the Bank's organizational structure adjusted to the size and profile of the risk borne;

3. Supervisory Board shall examine all issues to be submitted to the General Meeting by the Management Board.

- 2) The Supervisory Board appoints from among its Members the Audit, **Risk and Compliance** Committee, and the Remuneration Committee, each composed of three members. The Supervisory Board may establish other Committees, if necessary. The scope, code of conduct and the composition of the Committees shall be determined by the Supervisory Board.
- 3) The Audit Committee **Risk and Compliance** exercises supervision over the activity of organizational units of the Bank responsible for internal audit, risk management and the compliance function.
- 4) The responsibility of the Remuneration Committee shall be supervising labour and remuneration issues, in particular, regarding Members of the Management Board.

§ 3

In order to perform its duties the Bank's Supervisory Board may examine all documents of the Bank, request reports and explanations from the Management Board and employees, and review the assets of the Bank.

**Enclosure No. 1 to the Resolution No 28/2011
of the Ordinary General Assembly
of Kredyt Bank S.A. dated May 25, 2011.**

§ 4

1. The Supervisory Board is composed of 7 or 9 Members appointed and dismissed by the General Meeting.
2. The Supervisory Board composed of 7 Members, shall comprise at least 4 of its Members being Polish citizens.
3. The Supervisory Board composed of 9 Members, shall comprise at least 5 of its Members being Polish citizens.
4. The General Meeting determines the number of Supervisory Board Members.
5. The Supervisory Board appoints the Chairman and Deputy Chairman from among its Members.

§ 5

1. Meetings of the Supervisory Board shall be held as the need arises, however not rarer than once in each quarter of the year. Meetings of the Supervisory Board shall be convened by the Chairman of the Supervisory Board on his/her own initiative or upon a motion of the Bank's Management Board or a member of the Supervisory Board. A motion of the Management Board or a member of the Supervisory Board should include the proposed agenda of the meeting.
2. Secretary of the Supervisory Board shall send notifications about the meeting by registered post or with acknowledgement of receipt, at least seven days before the meeting.
3. The notification of the meeting should include information about the date, hour and venue of the meeting as well as the agenda proposed. Materials included in the agenda should be attached to the notification.
4. The Head of the organizational unit responsible for internal audit shall attend the meetings of the Supervisory Board when the agenda includes matters directly related to the functions tasks and oversight of the organizational unit responsible for internal audit. The Head of the organizational unit responsible for internal audit shall also participate at least annually in the Supervisory Board or Audit Committee **Risk and Compliance** meeting when the agenda includes a discussion about the activities of the organizational unit responsible for internal audit function.

§ 6

1. Supervisory Board resolutions shall be valid and binding provided that all of its Members have been invited to the meeting and at least half of its Members are present at the meeting, including its Chairman or Deputy Chairman.
2. Supervisory Board resolutions are adopted by an absolute majority of votes cast by Supervisory Board Members present at the meeting. In case of a voting tie, the Chairman of the Supervisory Board shall have the casting vote.
3. The Supervisory Board Members may participate in adoption of the Supervisory Board's resolutions by casting their votes in writing through another Supervisory Board's Member. Giving a vote in writing shall not concern the issues included into the agenda during the meeting of the Supervisory Board.
4. Resolutions of the Supervisory Board may be adopted outside the Supervisory Board's meetings:
 - in writing,
 - by means of direct communication facilities.

The resolution is valid and binding, if all the Supervisory Board's Members were notified about the contents of the draft resolution.

**Enclosure No. 1 to the Resolution No 28/2011
of the Ordinary General Assembly
of Kredyt Bank S.A. dated May 25, 2011.**

5. Adopting the resolutions in writing through another Supervisory Board Member as well as possibility of adopting resolutions in writing or by means of direct communication facilities shall not be applied in case of appointment of the Chairman and Deputy Chairman of the Supervisory Board, appointment of the Management Board Member as well as dismissing and suspending these persons.

Resolutions referring to these matters shall be adopted exclusively at the Supervisory Board meetings and only by Members of the Supervisory Board present at the meeting.

§ 7

1. The Supervisory Board Meetings shall be recorded in the form of minutes.
2. The minutes should include: agenda, full names and surnames of members of the Supervisory Board present at the meeting and of persons invited to the meeting, exact wording of resolutions adopted, results of voting and exact content of raised objections and dissenting opinions of individual members of the Supervisory Board.
3. The minutes of the Supervisory Board meetings shall be signed by members of the Supervisory Board present at the meeting and by the Secretary of the Supervisory Board.
4. The minutes' book of the Supervisory Board shall be kept by the Secretary of the Supervisory Board.

§ 8

The Supervisory Board shall have the right to convene the Ordinary General Assembly provided that the Management Board fails to do so within the period specified in the Code of Commercial Companies or in the By-laws of the Bank. It shall also have the right to convene the Extraordinary General Assembly when it deems it necessary.

§ 9

The General Assembly shall determine the principles of remuneration for members of the Supervisory Board.

§ 10

1. The Audit **Risk and Compliance** Committee, mentioned in § 2 sec. 4, shall have the following duties:
 - 1) assessment of an internal control system in Kredyt Bank S.A.
 - 2) assessment of effects and manner of implementation of new regulations, including the regulations of banking supervision (Office of Financial Supervision Commission) as well as recommendations of external auditors.
 - 3) Giving opinions on the selection of an independent external auditor performed by the Management Board to be approved by the Supervisory Board as well as an assessment of the external auditor's performance,
 - 4) Supervision over activities within the scope of:
 - internal audit,
 - compliance with law regulations in force at Kredyt Bank S.A.,
 - processes of risk management at Kredyt Bank S.A.
 - **performance of tasks by organizational units comprised by the Division of Risk and Capital Management, unit responsible for internal audit and organizational unit responsible for compliance function.**



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2. The principles of functioning and the detailed responsibilities of the Audit, **Risk and Compliance** Committee shall be set out in the Committee's Regulation, which is elaborated by its members and presented to the Supervisory Board for approval.

§ 11

1. The responsibilities of the Remuneration Committee specified in § 2 sec. 5 include giving opinions on the principles of remuneration and elaborating draft principles of remuneration of the Management Board members of Kredyt Bank S.A. The Remuneration Committee submits to the Supervisory Board the proposals regarding the remuneration of the Management Board members.
2. The principles of functioning and the detailed responsibilities of the Remuneration Committee shall be set out in the Committee's Regulation, which is elaborated by its members and presented to the Supervisory Board for approval.

§ 12

These regulations shall become effective as of the date of their approval.

Warsaw, 2011