

05-04-2011

Subject: draft resolutions to be considered by the Annual General Meeting of Bank Zachodni WBK S.A. - amendments

Current report no. 8/2011

Bank Zachodni WBK S.A. (the "Bank") hereby presents the amended wording of the draft resolutions for items 11 and 12 of the agenda for the Annual General Meeting, relating to the proposed changes in the Bank's Statutes. The amendments were made in §25, §34 and §37 section 3 of the Statutes.

The existing wording of §25:

- "§25. 1. The Supervisory Board consists of at least 5 (five) members appointed for a joint three year term of office. Members and Chairman of the Supervisory Board are appointed and recalled by the General Shareholders' Meeting. The Management Board informs the Financial Supervision Commission about the composition of the Supervisory Board. At least half of the Supervisory Board's members, including its Chairman, should hold Polish citizenship.
2. At least two members of the Supervisory Board should meet the criteria of being independent from the company and entities with significant connections with the company. The criteria of independence of Supervisory Board members are defined in the Terms of Reference of the Bank's Supervisory Board."

Proposed wording of §25:

- "§ 25.1. The Supervisory Board consists of at least 5 (five) members appointed for a joint three year term of office. Members and Chairman of the Supervisory Board are appointed and recalled by the General Shareholders' Meeting. The Management Board informs the Financial Supervision Commission about the composition of the Supervisory Board.
2. At least two members of the Supervisory Board should meet the criteria of being independent from the Bank and entities with significant connections with the Bank. The criteria of independence of Supervisory Board members are defined in the Terms of Reference of the Bank's Supervisory Board, according to the criteria defined in the Code of Good Practice of the Companies Enlisted in the Warsaw Stock Exchange.
3. Independent members of the Supervisory Board as defined in item 2 above should have a good knowledge of the Polish banking market, confirmed by relevant experience on the Polish market that they can use to supervise the Bank's operations, to be permanent residents of Poland and to know Polish language.";

The existing wording of §34:

- "§ 34. The Bank's Management Board consists of at least three members, including President. Management Board members may perform functions of the first vice-president and vice-presidents of the Management Board. Appointment to these functions is made by the Supervisory Board [at least half of the Management Board members must be of Polish citizenship]."

Proposed wording of §34:

- “§ 34.1. The Bank’s Management Board consists of at least 3 (three) members, including President. Management Board members may perform functions of the first vice-president and vice-presidents of the Management Board. Appointment to these functions is made by the Supervisory Board.
2. At least half of the members of the Bank’s Management Board, including the President, are persons, which:
 - 1) have higher education,
 - 2) know well Polish banking market,
 - 3) permanently live in Poland,
 - 4) speak Polish,
 - 5) have sufficient experience on Polish market, which may be used in management of the Bank on Polish market.”;

The existing wording of § 37 section 3:

- “§ 37.3. Pursuant to the internal split of responsibilities within the Management Board:
- 1) in particular, President of the Management Board is in charge of the internal audit unit and risk management function, including credit risk management,
 - 2) the Management Board member the appointment of whom requires approval of the Financial Supervision Commission is in charge of the investment banking.”.

Proposed wording of §37 section 3:

- “§37.3. Pursuant to the internal split of responsibilities within the Management Board:
- 1) in particular, President of the Management Board is in charge of the internal audit unit,
 - 2) the Management Board member the appointment of whom requires approval of the Financial Supervision Commission is in charge of the risk management function.”.

re: item 11 of the agenda

Resolution
of the Annual General Meeting of Shareholders
on changes to the Bank's Statutes

§ 1

Pursuant to art. 430 of the Commercial Companies Code, the following changes shall be made to the Bank's Statutes:

- 1) § 10a is deleted;
- 2) § 25 shall read as follows:

“§ 25.1. The Supervisory Board consists of at least 5 (five) members appointed for a joint three year term of office. Members and Chairman of the Supervisory Board are appointed and recalled by the General Shareholders' Meeting. The Management Board informs the Financial Supervision Commission about the composition of the Supervisory Board.

 2. At least two members of the Supervisory Board should meet the criteria of being independent from the Bank and entities with significant connections with the Bank. The criteria of independence of Supervisory Board members are defined in the Terms of Reference of the Bank's Supervisory Board, according to the criteria defined in the Code of Good Practice of the Companies Enlisted in the Warsaw Stock Exchange.
 3. Independent members of the Supervisory Board as defined in item 2 above should have a good knowledge of the Polish banking market, confirmed by relevant experience on the Polish market that

they can use to supervise the Bank's operations, to be permanent residents of Poland and to know Polish language.”;

3) § 34 shall read as follows:

“§ 34.1. The Bank's Management Board consists of at least 3 (three) members, including President. Management Board members may perform functions of the first vice-president and vice-presidents of the Management Board. Appointment to these functions is made by the Supervisory Board.

2. At least half of the members of the Bank's Management Board, including the President, are persons, which:

- 1) have higher education,
- 2) know well Polish banking market,
- 3) permanently live in Poland,
- 4) speak Polish,
- 5) have sufficient experience on Polish market, which may be used in management of the Bank on Polish market.”;

4) § 37.3 shall read as follows:

“§37.3. Pursuant to the internal split of responsibilities within the Management Board:

- 1) in particular, President of the Management Board is in charge of the internal audit unit,
- 2) the Management Board member the appointment of whom requires approval of the Financial Supervision Commission is in charge of the risk management function.”.

§ 2

Changes to the Statutes contemplated in §1 point 2, 3 and 4 must be approved by Polish Financial Supervision Authority.

§ 3

The resolution shall become effective once the changes to the Statutes are registered by the competent registry court.

re: item 12 of the agenda

Resolution of the Annual General Meeting of Shareholders
of Bank Zachodni WBK S.A.
on adopting the uniform text of the Bank's Statutes

§1

Pursuant to art. 430 of the Commercial Companies Code, the General Meeting of Shareholders hereby resolves to adopt the uniform text of the Bank's Statutes, which reads as follows:

**„Statutes
of
Bank Zachodni WBK S.A.
(the consolidated text)**

I. General Provisions

§ 1.

1. The name of the Bank is “Bank Zachodni WBK Spółka Akcyjna”.
2. The Bank may use the short names "Bank Zachodni WBK SA." and "BZ WBK S.A.".

§ 2.

The founder of the Bank is the State Treasury.

§ 3.

The Bank has its registered seat in Wrocław.

§ 4.

The Bank operates in the territory of the Republic of Poland and abroad.

§ 5.

The Bank can establish branches and other units in Poland and abroad.

§ 6.

Provisions of the Commercial Companies Act and the Banking Law apply to all matters not regulated herein.

II. Scope of Business

§ 7.

The scope of the Bank's business includes:

1. The following banking operations:
 - 1) accepting money deposits payable on demand or at a due date as well as operating accounts for these deposits, including accepting and depositing cash in domestic and foreign banks;
 - 2) operating other bank accounts,
 - 3) granting loans,
 - 4) granting and confirming bank guarantees as well as opening and confirming letters of credit,
 - 5) issuing banking securities,
 - 6) performance of financial settlements,
 - 6a) issue of electronic money instrument,
 - 7) granting cash advances,
 - 8) concluding check and B/E transactions,
 - 9) issuing payment cards and processing card operations,
 - 10) performing term financial transactions,

- 11) trading in receivables,
 - 12) safekeeping of objects and securities as well as providing access to safe deposit boxes,
 - 13) providing agency services in international funds transfers and settlements in international trade,
 - 14) granting and confirming guarantees,
 - 15) performing operations related to the issue of securities,
 - 16) acting as the representative of bond holders.
 - 17) purchase and sale of fx values
2. Other operations consisting in:
- 1) taking up or acquiring shares and units and/or rights attached to shares of another corporate entity and contributions to limited partnerships or limited joint stock partnerships, or units and investment certificates in investment funds and making contributions to limited liability companies within the limits specified by the Banking Law act,
 - 2) raising liabilities related to the issue of securities,
 - 3) trading in securities in the Bank's own account or at the request of third parties,
 - 4) performing swaps of debts into components of the debtor's assets,
 - 5) acquiring and disposing of real estates and debts secured with mortgage,
 - 6) providing consulting and advisory services in relation to financial matters,
 - 6a) providing certification services in accordance with the electronic signature regulations, excluding qualified certificates,
 - 7) providing other financial services including:
 - a) intermediation in brokerage business, maintenance of securities accounts,
 - b) intermediation and co-operation in obtaining loans and guarantees ,
 - c) performing collection activities on the basis of documents certifying the existence of cash receivables,
 - d) concluding and executing agreements with businesses, including foreign ones, on agency in lodgments to bank accounts,
 - e) financial and operational participation in international projects and undertakings,
 - f) performing fiduciary activities,
 - g) providing leasing, factoring, forfeiting services as well as stand-by and firm commitment underwriting,
 - h) trading in transferable property rights from securities and in transferable property rights, the price of which directly or indirectly depends on the price of securities (derivatives) – in the Bank's account or at the request of third parties,
 - i) performing activities, as requested by the Minister of Treasury and set forth in the Act of 30/08/1996 on commercialization and privatization of state owned enterprises,
 - j) accepting the State Treasury shares for management,
 - 7a) performing activities, other than brokerage business, consisting in:

- a) accepting and executing orders to purchase or sell the following non-publicly traded instruments: participations in undertakings for collective investments and non-treasury debt instruments issued under the Bonds Act or the Civil Code, including municipal bonds, corporate bonds and short-term debt instruments;
 - b) client trading in non-publicly traded securities;
 - c) proprietary trading in the securities issued by the State Treasury and the National Bank of Poland and in non-publicly traded instruments: securities, participations in undertakings for collective investments other than securities, money market instruments, derivatives, including options, forwards, swaps and contracts for difference;
 - d) providing investment advice on the securities issued by the State Treasury and the National Bank of Poland, including on non-publicly traded instruments: participations in undertakings for collective investments and securities;
 - e) offering securities issued by the State Treasury and the National Bank of Poland, including non-publicly traded instruments: participations in undertakings for collective investments other than securities, money market instruments, derivatives, including options, forwards, swaps, contracts for difference and securities including municipal bonds, corporate bonds and short-term debt instruments;
 - f) providing services under the existing agreements on underwriting for investment purposes or underwriting for distribution purposes as well as under other similar agreements relating to securities as defined by the Act on Trading in Financial Instruments, excluding the securities not covered by the Act on Public Offer and the Conditions for Admitting Financial Instruments to the Stock Exchange and on Publicly Traded Companies.
- 8) Providing sales-related services for open pension funds,
 - 9) Performing the function of a custodian as specified in regulations on organization and functioning of pension funds,
 - 10) Performing the function of a custodian as specified in regulations on organization and functioning of investment funds,
 - 11) Insurance intermediation and agency in selling lease, factoring and forfeiting products,
 - 12) providing companies connected with the Bank or with the parent company with supporting financial services related to the use of IT systems and technologies, including data processing, development, operation and maintenance of software and IT infrastructure and advisory services in that respect,
 - 13) providing services related to maintenance of investment fund participant registers, including especially: management of participant instructions and registers, management of direct payments, management of distributor register and agency in settlements with them, dealing with complaints and correspondence with customers of the funds, providing data from the transaction register to duly authorised bodies, data archiving, providing software to distributors and its maintenance, administrative service of bank accounts owned by funds,
 - 14) providing services related to the maintenance of pension fund participant registers,

- 15) maintenance of books for investment and pension funds.
3. The Bank can also perform, upon the request of other entities, the operations referred to in Sections 1 and 2, as long as these operations fall within the scope of the mandating entity's activities.
4. In the course of its operations, the Bank co-operates with domestic, foreign and international banks and financial institutions.
5. The Bank provides services in the area of cash transport.

§ 8.

The Bank may establish or join clearing houses organized under the Commercial Companies law, for the purpose of exchanging payment orders and making mutual settlements resulting from such orders.

§ 9.

If, under any special provision, the Bank is required to obtain separate permits to conduct any of the operations listed in § 7 hereinabove, such operations may only be performed only after such permit has been obtained.

III. The Bank's share capital

§ 10.

The share capital of the Bank amounts to PLN 730.760.130 (seven hundred and thirty million seven hundred and sixty thousand one hundred and thirty zloty) and is divided into 73.076.013 (seventy three million sixty seven thousand and thirteen) bearer shares of the nominal value of PLN 10 (ten zloty) each, including:

- 1) 5,120,000 (five million one hundred and twenty thousand) series A ordinary bearer shares,
- 2) 724,073 (seven hundred and twenty four thousand and seventy three) series B ordinary bearer shares,
- 3) 22,155,927 (twenty two million one hundred and fifty five thousand nine hundred and twenty seven) series C ordinary bearer shares,
- 4) 1,470,589 (one million four hundred and seventy thousand five hundred and eighty nine) series D ordinary bearer shares,
- 5) 980,393 (nine hundred and eighty thousand three hundred and ninety three) series E ordinary bearer shares,
- 6) 2,500,000 (two million and five hundred) series F ordinary bearer shares,
- 7) 40,009,302 (forty million nine thousand three hundred and two) series G ordinary bearer shares,

8) 115.729 (one hundred and fifteen thousand seven hundred and twenty nine) series H ordinary bearer shares.

§ 10a

(repealed)

§ 11.

Bearer shares are shares admitted to public trading.

§12.

Shares can be redeemed, following the shareholder's approval, by way of their purchase by the Company (voluntary redemption).

§ 13.

1. The Company can purchase the shares it issued with a view to redeeming them not earlier, however, than after the GM has passed a resolution approving this redemption.
2. Resolution referred to in item 1 should define the legal basis for the redemption, the minimum amount of the remuneration that the shareholder of the redeemed shares is entitled to or rationale behind redeeming the shares without remuneration, the way of reducing the share capital and the source of financing the redemption, maximum number of shares that the Company can purchase for redemption, the maximum total purchase price and the timeframe when the shares should be purchased.

§ 14.

The Company's Management Board announces the information about purchasing shares for redemption not later than within 30 days after the date when the shares are to be purchased as stipulated in the resolution referred to in § 13, convening at the same time, the general meeting of shareholders to pass a resolution on the redemption of the purchased shares and reduction in the share capital.

§ 15.

If the Company does not conclude any agreement on the purchase of shares for redemption within the timeframe specified in the resolution referred to in §13, the Management Board shall announce the ineffective expiration of the deadline within 30 days after this expiration.

§ 16.

Voluntary redemption must not be carried out more often than once in an accounting year.

§ 17.

The Bank can issue convertible bonds.

IV. The Authorities of the Bank

§ 18.

The authorities of the Bank are:

1. General Meeting of Shareholders;
2. Supervisory Board;
3. Management Board.

V. General Meetings of Shareholders

§ 19.

1. General Meetings may be either ordinary or extraordinary.
2. The Ordinary General Meeting should be held annually, not later than by the end of June every year.
3. The Extraordinary General Meeting is convened in the circumstances specified in the Commercial Companies Code.
4. The General Meeting of Shareholders is held in the Bank's registered office, in Warsaw or in another location indicated in the notice of General Meeting.

§ 19a

1. A shareholder may participate in the General Meeting through electronic communication means.
2. The detailed rules of participation in the General Meeting through the electronic communication means shall be defined by the Management Board and the Terms of Reference of the General Meetings of Bank Zachodni WBK S.A.

§ 20.

1. The Ordinary General Meeting is convened by the Management Board.
2. The Supervisory Board can convene the Ordinary or Extraordinary General Meeting of Shareholders in the circumstances specified in the Commercial Companies code and when the Management Board fails to convene it within two weeks from the date of submitting such a request by shareholders who represent at least one tenth of the share capital.

§ 21.

The draft resolutions and other important materials proposed to be adopted by the AGM should include the rationale and the opinion of the Supervisory Board, except for the issues related exclusively to the Supervisory Board.

§ 22.

Each share entitles to one vote.

§ 23.

Chairman or Vice Chairman of the Supervisory Board opens each General Shareholders' Meeting and conducts an election of the Chairman of the Meeting. If none of the above is available to open the General Shareholders Meeting, the Meeting shall be opened by a member of the Supervisory Board.

§ 24.

1. The General Shareholders' Meeting adopts resolutions on matters solely within their discretions, arising in particular from the Commercial Companies code regulations, banking law and Statutes.
2. Purchase or disposal of real estate, perpetual usufruct rights or a share in real estate does not require a resolution of the General Shareholders' Meeting.

VI. Supervisory Board

§ 25.

1. The Supervisory Board consists of at least 5 (five) members appointed for a joint three year term of office. Members and Chairman of the Supervisory Board are appointed and recalled by the General Shareholders' Meeting. The Management Board informs the Financial Supervision Commission about the composition of the Supervisory Board.
2. At least two members of the Supervisory Board should meet the criteria of being independent from the Bank and entities with significant connections with the Bank. The criteria of independence of Supervisory Board members are defined in the Terms of Reference of the Bank's Supervisory Board, according to the criteria defined in the Code of Good Practice of the Companies Enlisted in the Warsaw Stock Exchange.
3. Independent members of the Supervisory Board as defined in item 2 above should have a good knowledge of the Polish banking market, confirmed by relevant experience on the Polish market that they can use to supervise the Bank's operations, to be permanent residents of Poland and to know Polish language.

§ 26.

The Supervisory Board appoints Vice Chairman of the Board and may appoint a Secretary of the Board from amongst its members.

§ 26a

1. From amongst its members the Supervisory Board may appoint an Audit Committee or other committees to support and facilitate the work of the Supervisory Board.
2. The terms of reference for such committees are determined by the Supervisory Board.

§ 27.

1. The Supervisory Board members can perform their duties in person only.
2. The remuneration of the Supervisory Board members is set by the General Meeting of Shareholders.

§28.

The Supervisory Board operates pursuant to the terms of reference it adopted. The terms of reference of the Supervisory Board specify its organization and manner of operations.

§ 29.

1. Meetings of the Supervisory Board are convened by Chairman or Vice Chairman of the Supervisory Board on their own initiative, upon a motion of the Management Board or at the request of a member of the Supervisory Board.
2. Meetings of the Supervisory Board may also be held without the need of gathering all members in one place by using telecommunications or audio-visual media that enable simultaneous communication of all the meeting attendees. The rules of organizing meetings according to this procedure are set out in the Supervisory Board Regulations.

§ 30.

1. Resolutions of the Supervisory Board are adopted by an absolute majority of votes of the Board members attending the meeting. In the event of a parity of votes, the Chairman of the Supervisory Board has a casting vote.
2. If necessary, resolutions of the Supervisory Board may be adopted by way of a written procedure. Resolutions adopted pursuant to the written procedure are presented for approval to all members of the Supervisory Board, and become effective once they have been signed by at least half of the Supervisory Board members, including its Chairman.
3. Members of the Supervisory Board may participate in passing resolutions by means of a written proxy vote through another member of the Supervisory Board. A written vote may not be cast in the case of matters introduced to the agenda during a Supervisory Board meeting. The rules of voting by means of this procedure are determined by the Supervisory Board Regulations.

§ 31.

The Supervisory Board expresses its opinion on all motions and requests that require a resolution of the General Shareholders' Meeting, except for matters related exclusively to the Supervisory Board.

§ 32.

The Supervisory Board exercises on-going supervision over the Bank's activities. In addition to the statutory rights and responsibilities and those set forth in the Bank's Statutes, the Supervisory Board has the power to:

- 1) examine the financial statements in terms of their compliance with books, documents and current status;
- 2) approve annual and long-term development plans for the Bank and financial plans for its operations prepared by the Management Board, Bank's business strategy as well as prudent and stable management of the Bank;
- 3) approve motions of the Bank's Management Board concerning the establishment and liquidation of Bank's branches abroad;
- 4) approve equity investments by the Bank, if
 - the value of such investment exceeds a PLN equivalent of EUR 4,000,000, where "the investment value" means the purchase price or sales price of a particular asset, or
 - the value of a such investment exceeds EUR 400,000 and at the same time, if as a result of such investment the Bank's shareholding in another entity is equal to 20% of votes or exceeds 20% of votes or drops below the level of 20% of votes at the AGM or the Meeting of Partners, while "the value of investment" shall mean the purchase price or the sales price of a given asset,

except for agreements on underwriting securities issues, if the total exposure of the Bank arising from such agreement does not exceed one tenth (1/10) of the total equity of the Bank;

An equity investment is understood, in particular, as joining by the Bank and exiting from joint undertakings, i.e. incorporating and dissolving commercial law companies, joining and exiting commercial law companies, including contributions made to limited partnerships or limited joint stock partnerships. Purchase of shares and interests with a guarantee of their repurchase by another entity is not an equity investment.

- 5) approve acquisition, disposal or encumbrance of fixed assets (as defined in the Accounting Act), in particular any real estate, if the value of such fixed asset exceeds a PLN equivalent of EURO 4,000,000 except for seizing a real estate by the Bank as a mortgage creditor, as a result of an ineffective auction conducted under execution proceedings, or as a result of repossessing another fixed asset or securities by the Bank as the creditor secured by a registered pledge in line with the regulations on registered pledges and pledge register, or a creditor secured by repossession of the security in line with the regulations of the Banking Law Act;

- 6) examine the Management Board's reports and its motions regarding the profit distribution or coverage of losses;
- 7) determine remuneration of the Management Board members;
- 8) conclude contracts on behalf of the Bank, falling within the authority of the Supervisory Board, including employment contracts or management contracts with Members of the Management Board, where the Supervisory Board may appoint its Chairperson or another Supervisory Board member to submit a declaration of will in this respect,
- 9) adopt the Management Board's Regulations and other banking regulations as set forth in the Statutes and other sets of legal regulations and approve the Bank's Organizational Regulations and the Policy on the internal control system;
- 10) appoint an entity authorized to audit the financial statements to perform audit services for the Bank;
- 11) apply to the Financial Supervision Commission for a consent to appoint two members of the Management Board of the Bank, including the President;
- 12) inform the Financial Supervision Commission on other Management Board members and, each time, on changes to the Management Board composition and those who, based on the internal split of responsibilities, are responsible for the operation of the Internal Audit Function and for credit risk management;
- 13) appoint and recall President of the Management Board and other members of the Management Board;
- 14) suspend Management Board members from office, for important reasons, and second members of the Supervisory Board to temporarily perform duties of those Management Board members who cannot perform their roles,
- 15) present the concise assessment of the Bank's standing to the AGM on an annual basis, including evaluation of the internal control system and the material risk management system,
- 16) approval of the Bank's business activity risk management policy as defined by the Management Board and the acceptable total risk exposure,
- 17) approval of the internal capital estimation and maintenance policy as defined by the Management Board,
- 18) approval of the internal audit policy as defined by the Management Board.

§ 33.

The Supervisory Board is entitled to make recommendations to the Management Board of the Bank, in particular, these regarding financial and organizational restructuring of the Bank, and concluding long-term agreements binding upon the Bank by the Management Board.

VII. Management Board

§ 34.

1. The Bank's Management Board consists of at least 3 (three) members, including President. Management Board members may perform functions of the first vice-president and vice-presidents of the Management Board. Appointment to these functions is made by the Supervisory Board.

2. At least half of the members of the Bank's Management Board, including the President, are persons, which:

- 1) have higher education,
- 2) know well Polish banking market,
- 3) permanently live in Poland,
- 4) speak Polish,
- 5) have sufficient experience on Polish market, which may be used in management of the Bank on Polish market.”;

§ 35.

The Supervisory Board appoints and recalls President of the Management Board and the remaining members of the Management Board.

§ 36.

1. The Management Board's term of office is three years.
2. The Management Board members are appointed for a joint term of office.

§ 36a.

1. The decisions to incur obligations or transfer assets whose total value for one entity exceeds 5% of the Bank's own funds are made by the Management Board, except as provided in section 2 and § 32 point 4 and 5.
2. The decisions referred to in section 1 may be taken by the Bank's Committees or other persons duly authorised by the Management Board by way of a resolution.

§ 37.

1. The Management Board manages the Bank's-related issues unless specified otherwise in clause 2 and 3.
2. The President of the Management Board can, by way of an ordinance, vest individual Management Board members with the power to handle individual issues based on the internal split of responsibilities within the Management Board, and also can allocate some temporary tasks to them.
3. Pursuant to the internal split of responsibilities within the Management Board:

- 1) in particular, President of the Management Board is in charge of the internal audit unit,
 - 2) the Management Board member the appointment of whom requires approval of the Financial Supervision Commission is in charge of the risk management function.
4. The President of the Management Board manages the work of the Management Board, in particular, convenes the Management Board meetings, sets the agenda and chairs the meetings. The President has also the casting vote when two sides have exactly the same number of votes.

§ 37a.

Bodies entitled to issue internal regulations:

- 1) as regards issues requiring a decision of the General Meeting – the General Meeting in a form of a resolution;
- 2) as regards issues requiring a decision of the Supervisory Board – the Supervisory Board in the form of a resolution;
- 3) as regards issues requiring a decision of the Management Board and/ or approvals of the Supervisory Board or the General Meeting – the Management Board in the form of a resolution, provided however, that the required approval has been obtained.
- 4) as regards issues requiring the decision of the Management Board but not requiring an approval of another body – the Management Board in the form of a resolution,
- 5) as regards issues important for the Bank, which go beyond the scope of the operations of an individual division – the President of the Management Board in the form of an ordinance;
- 6) as regards operations of the reporting divisions – the Management Board member in the form of an ordinance;
- 7) as regards issues specified in the sets of regulations referred to in points 4-6 above – the Bank Director in the form of an ordinance;
- 8) as regards issues referred to in the Management Board resolution re. establishment of a committee – the committee chairman in the form of an ordinance.

§ 38.

1. If necessary, resolutions of the Management Board may be adopted by way of a written procedure. Resolutions adopted pursuant to the written procedure are presented for approval to all members of the Management Board, and become effective once they have been signed by at least a half of the Board members, including its President.
2. In exceptional circumstances, the Management Board meetings can be held without the need to gather all the Management Board members in one location, but using telecommunication and audiovisual equipment to ensure concurrent communication of all individuals attending the meeting. The rules underlying the organization of meetings are defined in the Regulations of the Management Board.

3. Members of the Management Board may participate in passing resolutions by means of a written proxy vote through another member of the Management Board. A written vote may not be cast in the case of matters introduced to the agenda during a Management Board meeting. The rules of voting by means of this procedure are determined by the Management Board Regulations.

§ 39.

The Management Board manages the Bank and represents it. All matters that are not within the sole competence of other authorities of the Bank on the basis of provisions of law or these Statutes, shall remain within the Management Board's scope of responsibilities.

§ 40.

The following individuals are authorized to make declarations of will on behalf of the Bank:

- a) President of the Management Board acting severally,
- b) two members of the Management Board acting jointly, or a member of the Management Board acting jointly with a commercial representative, or two commercial representatives acting jointly.

Authorized representatives to act severally or jointly with any of the persons listed in letter b. or with another authorized representative can be appointed.

VIII. Organization of the Bank

§ 41.

1. The Bank's basic organizational structure is as follows:
 - 1) the Business Support Centre – acting as the head office;
The following units operate within the Business Support Centre:
 - a) divisions,
 - b) areas,
 - c) centers,
 - d) departments,
 - e) offices,
 - f) stand-alone teams,
 - 2) Branches.
2. The detailed organizational structure of the Bank is outlined in the Bank's Organizational Regulations adopted by the Management Board and approved by the Supervisory Board and the related resolutions issued by the Bank's Management Board.
3. There are also Committees established by the Management Board operating in the Bank.

§ 42.

1. The Bank operates an internal control system, which supports decision-making processes to ensure effectiveness and efficiency of the Bank's activities, reliability of financial reporting and compliance of the Bank's actions with legal requirements and internal regulations.
2. The internal control system includes:
 - 1) risk controls,
 - 2) monitoring and testing of Bank's compliance with external and internal regulations,
 - 3) internal audit.
3. The Internal Audit Function is responsible for the independent and objective audit and evaluation of the adequacy and effectiveness of the Bank's internal control system and for providing its opinion concerning the management of the Bank's activity, including the effectiveness of management of risks connected with this activity.
4. The Bank's Management Board is responsible for designing, implementing and functioning of the system of internal control.
5. The Supervisory Board is responsible for the supervision over the implementation of the internal control system and for assessing its adequacy and effectiveness.
6. The Supervisory Board opines on the appointment of the Head of the Internal Audit by the Management Board as well as termination of his/her employment and rules of compensating members of the Internal Audit Function. The remuneration of the Head of the Internal Audit is set as recommended by the Chairman of the Audit Committee and the Chairman of the Nominations and Remuneration Committee.
7. The Audit Committee of the Supervisory Board supervises the activity of the Internal Audit Function.
8. Information on identified irregularities, findings from internal audits and actions taken to remove these problems is provided periodically (at least once a year) to the Supervisory Board.
9. Internal control procedures are defined in detail by the Management Board, by way of a resolution (which is subject to the Supervisory Board's approval).

IX. Equity and funds of the Bank

§ 43.

The Bank has equity adequate to the scale of its operations.

§ 44.

The equity of the Bank consists of:

- 1) share capital (Tier 1 capital)
- 2) supplementary funds

§ 45.

1. The supplementary capital is raised from:
 - a) share premium
 - b) allocations from after-tax profit.
2. At least (8%) eight per cent of the Bank's after-tax profit should be allocated to the supplementary capital as the annual transfers from the after-tax profit until the value of the supplementary capital equals at least one third of the value of the Bank's share capital. The amount is set by the General Shareholders' Meeting.
3. The supplementary capital may also be fed with funds coming from other sources, if permitted by law.
4. The supplementary capital is earmarked for covering the Bank's balance sheet losses. The decision on using the supplementary capital is taken by the General Shareholders' Meeting.

§ 46.

1. The reserve capital is created out of allocations from the after-tax profit, in an amount resolved by the General Shareholders' Meeting and from other sources.
2. The reserve capital is earmarked for covering balance sheet losses, should they exceed the supplementary capital, or for other purposes, particularly for dividend pay-outs. Decisions on using the reserve capital are taken by the General Shareholders' Meeting.

§ 47.

1. The general risk fund for non-identified risks of banking operations is raised and dissolved by virtue of the resolution passed by the General Shareholders' Meeting. The general risk fund is created out of allocations from the after-tax profit.
2. The general risk fund is earmarked for the coverage of costs and losses related to non-identified risks of banking operations for which the Bank has not raised a separate provision.

§ 48.

1. The Bank raises and releases special funds pursuant to a resolution of the General Shareholders' Meeting, unless the obligation to raise special funds is stipulated by law.
2. Regulations of special funds are adopted by the Supervisory Board.

X. Financial Management

§ 49.

The Bank conducts its financial management based on financial plans approved by the Supervisory Board. Detailed principles of the Bank's financial management are set out by the Management Board.

§ 50.

1. The Bank may allocate its after-tax profit in the amounts determined by the General Shareholders' Meeting to:
 - a) supplementary capital,
 - b) reserve capital,
 - c) dividends to shareholders,
 - d) special funds,
 - e) general risk fund,
 - f) other purposes.
2. The General Shareholders Meeting can allocate the dividend or part thereof to pay for shares to be taken up by the existing shareholders in the raised share capital of the Bank.
3. The dividend may be paid in the form of cash or securities. The dividend to the State Treasury, as the shareholder, shall be paid in cash.
4. The Bank's Management Board is authorized to make an advance payment of dividend anticipated for the end of the accounting year, provided the Bank has sufficient funds for such a payment. The disbursement of such an advance payment requires approval of the Supervisory Board.

§ 51.

The Bank runs its accountancy in accordance with applicable regulations.

§ 52.

Annual financial statements should be produced not later than within three months after the end of each accounting year. The accounting year is a calendar year.

XI. Final Provisions

§ 53.

All announcements required by law are released by the Bank in "Monitor Sądowy i Gospodarczy" (Judicial and Business Journal)."

§ 2

This Resolution shall become effective on the day of its adoption.

As a result of the amendments, the Notice of the General Meeting published on the Bank's website will change accordingly.

Information on the Annual General Meeting was communicated in the Bank's current report no. 5/2011.

Legal basis: §38 clause 1 point 2 and 3 of the Finance Minister's Ordinance of 19 February 2009 on current and periodic reports published by the issuers of securities and the rules of equal treatment of the information required by the laws of non-member states.