

RESOLUTION No. /2011
of the Extraordinary General Meeting
of Powszechna Kasa Oszczędności
Bank Polski Spółka Akcyjna
of 14 April 2011

on the election of the Chairperson of the Extraordinary General Meeting

Pursuant to Article 409(1) of the Code of Commercial Partnerships and Companies the Extraordinary General Meeting elects as its Chairperson

Explanation
to draft resolution on

the election of the Chairman of the Extraordinary General Meeting

Pursuant to Article 409(1) of the Code of Commercial Partnerships and Companies, the chairperson shall be elected from among those entitled to participate in the general meeting. Pursuant to par. 6(2) of the General Meeting's Rules of Procedure, the person opening the General Meeting conducts the election of the Chairperson of the General Meeting in a secret ballot, ensures the correct conduct of voting, and announces the result.

In relation to the above the resolution should be considered at the Extraordinary General Meeting.

The Bank's Supervisory Board gave positive opinion on the above draft resolution.

**Resolution No. /2011
of the Extraordinary General Meeting
of Powszechna Kasa Oszczędności
Bank Polski Spółka Akcyjna
of 14 April 2011**

on adoption of the Agenda of the Extraordinary General Meeting

The Extraordinary General Meeting approves the following Agenda:

- 1) opening of the Extraordinary General Meeting;
- 2) election of the Chairperson of the Extraordinary General Meeting;
- 3) declaration that the Extraordinary General Meeting has been duly convened and is capable of adopting valid resolutions;
- 4) adoption of the Agenda of the Extraordinary General Meeting;
- 5) adoption of a resolution on the amendments to the Article of Association of Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna;
- 6) closure of the Meeting.

**Explanation
to the draft resolution on**

the adoption of the Agenda of the Extraordinary General Meeting

Pursuant to § 8(1) of the General Meeting Rules of Procedure, the Chairperson of the Extraordinary General Meeting presents the Agenda for approval by the General Meeting.

In relation to the above the resolution should be considered at the Extraordinary General Meeting.

The Bank's Supervisory Board gave positive opinion on the above draft resolution.

*Draft resolution with explanation
presented by the Shareholder*

**RESOLUTION No. /2011
of the Extraordinary General Meeting
of Powszechna Kasa Oszczędności
Bank Polski Spółka Akcyjna
of 14 April 2011**

on the amendments to the Articles of Association of Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna

Pursuant to Article 430(1) of the Code of Commercial Partnerships and Companies, the Extraordinary General Meeting adopts the following:

§ 1

The Articles of Association of Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna shall have the wording specified in this resolution:

1. in § 10 shall be added new Clauses with numbers from 5 to 14, with the following wording:
 - “5. The shareholders’ voting rights shall be limited in a way that at the General Meeting no shareholder can exercise more than 10% of the total number of votes of the Company existing at the date of the General Meeting, save that for the purposes of defining obligations for buyers of substantial blocks of shares, as defined in the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies, such a limitation of the voting rights will be deemed as non-existing.*
6. *The limitation of voting rights, referred to in Clause 5, shall not apply to:*
 - 1) *shareholders who on the day of adopting the resolution of the General Meeting introducing the limitation, referred to in Clause 5, are beneficial holders of shares representing more than 10% of the total number of votes of the Bank,*
 - 2) *shareholders who are beneficial holders of registered series A shares,*

- 3) *shareholders who cooperate with the shareholder defined in point 2 on the basis of agreements on joint exercise of voting rights attached to the shares.*
7. *For the purposes of limiting voting rights according to Clause 5, votes of shareholders with relation of domination or dependence, are aggregated according the rules described below.*
8. *In the meaning of Clause 5, a shareholder means any person, including its dominant entity and subsidiary, who is, directly or indirectly, entitled to vote at the General Meeting on the basis of any legal entitlement. This also applies to a person who does not hold any shares of the Company, in particular a pledgee or usufructuary, person entitled on the basis of a certificate of deposit in the meaning of the Act of 29 July 2005 on Trading in Financial Instruments, as well as a person entitled to participate in the General Meeting despite having transferred shares held after the date of setting the right to participate in the General Meeting.*
9. *Dominant entity and subsidiary shall mean a person:*
 - 1) *fulfilling criteria set in Article 4.1.4 of the Code of Commercial Partnerships and Companies, or*
 - 2) *having status of a dominant entity, subsidiary or dominant entity and subsidiary at the same time in the meaning of the Act of 16 February 2007 on Competition and Consumer Protection, or*
 - 3) *having status of a dominant entity, higher-level dominant entity, subsidiary, lower-level subsidiary or having status of a dominant entity (including higher-level dominant entity) and a subsidiary (including lower-level subsidiary and co-subsidiary) at the same time in the meaning of provisions of the Accounting Act of 29 September 1994, or*
 - 4) *who exerts a decisive influence (dominant entity) or on whom a decisive influence is exerted (subsidiary) in the meaning of provisions of the Act of 22 September 2006 on Transparency of Financial Relations between the State and Public Undertakings and on Financial Transparency of Certain Undertakings, or*

- 5) *whose voting rights stemming from directly or indirectly held shares of the Company are aggregated with voting rights of another person(s) according to the rules set out in the provisions of the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies, in connection with holding, transferring or acquiring substantial blocks of the Bank's shares, or*
- 6) *mentioned in Article 4.1.8 and 4.1.9 of the Banking Law of 29 August 1997.*

10. *Shareholders whose votes are accumulated and reduced according to Clauses 7–11, are together called "the Grouping". Accumulation of votes comprises aggregating votes held by different shareholders participating in the Grouping. Reduction of votes comprises decreasing the total number of votes in the Company that shareholders participating in the Grouping are entitled to at the General Meeting. Reduction of votes is made according to the following rules:*

- 1) *number of votes of a shareholder who holds the highest number of votes in the Company among all the shareholders participating in the Grouping is reduced by the number of votes equal to the surplus over 10% of the total number of votes in the Company, held by all the shareholders participating in the Grouping,*
- 2) *if, despite the reduction mentioned in point 1) above, the total number of votes at the General Meeting held by the shareholders participating in the Grouping exceeds the limit mentioned in Clause 5, a further reduction of votes that are held by the other shareholders participating in the Grouping shall be made. Further reduction of votes of the other shareholders is made in the order based on the number of votes held by different shareholders participating in the Grouping (from the highest number to the lowest number). Further reduction of votes is made until the total number of votes held by the shareholders participating in the Grouping does not exceed 10% of the total number of votes in the Company,*
- 3) *if, for the purposes of reduction referred to in points 1) or 2), it is not possible to set the order of the reduction of votes because two or more shareholders hold the same number of votes, the votes of shareholders holding the same number of votes shall be reduced proportionally and the*

fraction shall be rounded down to the full number of shares. For the rest, rules specified in points 1) or 2) shall apply mutatis mutandis,

4) in each case a shareholder, whose voting rights are limited, has a right to exercise at least one vote,

5) limitation of exercising voting rights applies also to a shareholder who is not present at the General Meeting.

11. In order to make grounds for the accumulation and reduction of votes, each shareholder of the Company, the Management Board of the Bank, the Supervisory Board of the Bank and different members of these bodies, as well as the Chairman of the General Meeting, can demand that a shareholder of the Company, who is subject to limiting the voting rights, provide them with information on whether he/she is a dominant entity or a subsidiary for any other shareholder of the Company in the meaning of Clause 9. The right specified in the previous sentence includes also the right to demand disclosure of the number of votes held by the shareholder of the Company individually or jointly with other shareholders of the Company, for whom he/she is a dominant entity or a subsidiary in the meaning of Clause 9. The person who did not fulfil the information obligation, referred to in the first sentence, or fulfilled it in an undue manner, can – until the information obligation is fulfilled – exercise voting right from one share only and the exercising by such a person of voting rights from other shares shall be ineffective.

12. In case of doubts, interpretation of provisions concerning limiting the voting rights shall be made according to Article 65.2 of the Civil Code.

13. From the moment when the share of the State Treasury in the share capital of the Bank falls below 5%, limitations of shareholders' voting rights specified in Clause 5 shall expire.

14. Resolutions of the General Meeting concerning preference for shares or merger of the Company when all the Company's assets are transferred to another company, its liquidation, decrease of share capital by redeeming of

part of the shares without simultaneous increase of the capital or change of the scope of the Company's business resulting in discontinuation of the banking activities by the Company, shall require majority of 90% of the votes cast."

2. in § 11:

a. Clauses 11.1 shall be amended as follows:

"1. The Supervisory Board shall consist of 5 (five) to 13 (thirteen) members appointed for a joint term of three years. The number of members of the Supervisory Board shall be set by the Eligible Shareholder (as defined below), also in the event when a motion for election of the Supervisory Board through vote by separate groups is presented. In the event when a motion for election of the Supervisory Board through vote by separate groups is presented, 5 (five) members of the Supervisory Board shall be elected."

b. Clauses 11.3 shall be amended as follows:

"3. The number of members of the Supervisory Board for whom only the Eligible Shareholder may recommend nominations, shall be calculated in accordance with the following formula:

*$L = 13 * U$ where:*

L – means the number of members of the Supervisory Board for whom the Eligible Shareholder may recommend nominations, save that in the event when L is not an integer, the number of the members of the Supervisory Board equals L rounded up to the next integer, provided that the total number of the Supervisory Board for whom the nominations may be recommended by the Eligible Shareholder must not be greater than 8 (eight);

U – means the share of the Eligible Shareholder in the share capital of the Bank, calculated as the quotient of shares from which the Eligible Shareholder may exercise the voting rights at the General Meeting that elects the members of the Supervisory Board and the total number of shares in the share capital of the Bank existing at the date of such General Meeting."

3. § 14 shall be amended as follows:

- “1. Supervisory Board acts based on the Rules and Regulations decided by the Supervisory Board and approved by the General Meeting.*
- 2. The subject of the first meeting of the Supervisory Board after electing the Supervisory Board for a new term is formation of the Supervisory Board, including in particular election of a Secretary of the Supervisory Board. The subject of the first meeting of the Supervisory Board may not be adoption of resolutions concerning appointing and dismissing the President of the Management Board, members of the Management Board or the Management Board as a whole, except for the resolutions on appointing a member or members of the Management Board when the Management Board of the Company consists of a smaller number of members than required by the provisions of the Articles of Association. The next meeting of the Supervisory Board may be held seven days from the date of the first Supervisory Board meeting at the earliest. Until then the Supervisory Board may adopt resolutions using the means of instantaneous communication in accordance with § 17.4.”*

4. In § 36 Clauses 36.2 shall be amended as follows:

- “2. “dominant entity” and “subsidiary” means the person specified in § 10.9.”*

§ 2

The Bank’s supervisory board shall be authorised to determine the consolidated text of the Articles of Association allowing for the amendments arising out of this resolution.

§ 3

The resolution shall come in force as of its adoption and shall have a binding effect in the day of the changes entry into register of enterprises in National Court Register.

**Explanation
to draft resolution on
the Amendments to the Articles of Association
of Powszechna Kasa Oszczędności
Bank Polski Spółka Akcyjna**

Pursuant to Article 430.1 of the Code of Commercial Partnerships and Companies, an amendment to the company articles of association shall require a resolution of general meeting and registration.

The need to introduce amendments to the Articles of Association of the Bank is justified by the provisions of the Articles of Association itself. According to § 1.1 of the Articles of Association, "Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna, hereinafter referred to as the 'Bank', is a bank operating pursuant to generally applicable laws and regulations, good practices pertaining to the banking industry as well as to this Articles of Association, while maintaining the national character of the Bank." Moreover, maintaining the national character of the Bank fulfils recommendations of the Council of Ministers of 22 April 2008 included in the Memorandum of Understanding No. 17/2008 of the Council of Ministers' Meeting of 22 April 2008.

Hence, adoption of the proposed resolution by the Extraordinary General Meeting shall be considered as a necessary element of achieving the objectives of the Bank.

The proposed amendments to the Articles of Association of the Bank are related to the following issues:

1. Limiting the voting rights of the shareholders, as well as adopting rules on accumulation and reduction of votes.
2. Method of electing the Supervisory Board.
3. Subject of the first meeting of the Supervisory Board appointed for a new term.
4. Definition of the dominant entity and the subsidiary.

These amendments do not constitute a breach of minority shareholders' interest. Moreover, adoption of the amendments protects the Bank against hostile takeover

attempt which could undermine achieving basic objectives of the Bank, as specified in the Articles of Association.

Pursuant to Article 34.2 of the Banking Law, any amendment to the banks' articles of association shall require the authorisation of the Polish Financial Supervision Authority where such amendment relates to the matters referred to in Article 31.3 of the Law, i.e. among others to the changes in the competencies of the bank's bodies. The authorisation by the Polish Financial Supervision Authority shall have the form of a decision.

On 14 March 2011, in the Current Report No. 6/2011 the Management Board of the PKO BP S.A. communicated that in connection with the Proposal from a Shareholder the Bank issued a request to the Polish Financial Supervision Authority to authorise the amendments to the Articles of Association, referred to above, and that on 14 March 2011 the Bank received such an authorisation. As a result, a prerequisite to introduce amendments to the Articles of Association arose.