

Attachment to Current Report 44/2017: content of amendments to GPW Articles of Association

The Articles of Association of the Warsaw Stock Exchange shall be amended as follows:

1. in § 9, after sub-paragraph 1, sub-paragraph 1a shall be added as follows:

"1a. In addition to matters reserved under other provisions of these Articles of Association and the applicable legislation, the powers of the General Meeting shall include:

- 1) defining the terms of remuneration of Members of the Exchange Supervisory Board;
- 2) defining the terms of remuneration of Members of the Exchange Management Board;
- 3) approving any actions involving:
 - a) disposal of non-current assets within the meaning of the Accounting Act of 29 September 1994 classified as intangible assets, property, plant and equipment, and long-term investments, including their contribution to a company or co-operative, if the market value of such assets is more than 5% of the total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements, and giving such assets for use to another entity for a period of more than 180 days in a calendar year, under a legal transaction, if the market value of the object of such legal transaction is more than 5% of the total assets, where giving for use in the case of:
 - (i) lease or rent agreements or other agreements giving an asset for use by other entities for a fee - the market value of the object of the legal transaction is understood as the value of benefits paid:
 - for one year, if the asset is given under agreements concluded for an undetermined period,
 - for the term of the agreement, for agreements concluded for a determined period;
 - (ii) lending agreements and other agreements giving an asset for use by other entities without a fee - the market value of the object of the legal transaction is understood as the amount equivalent to the value of benefits that would be payable under lease or rent agreements:
 - for one year, if the asset is given under agreements concluded for an undetermined period,
 - for the term of the agreement, for agreements concluded for a determined period;
 - b) acquisition of non-current assets within the meaning of the Accounting Act of 29 September 1994, at a value greater than:
 - (i) PLN 100,000,000, or
 - (ii) 5% of the total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements;
 - c) taking up or acquisition of shares of another company at a value greater than:
 - (i) PLN 100,000,000, or

- (ii) 10% of the total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements;
- d) disposal of shares of another company at a value greater than:
 - (i) PLN 100,000,000, or
 - (ii) 10% of the total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements.”;

2. § 14(5) shall be replaced by the following:

“5. The Exchange Supervisory Board appoints an audit committee whose composition and responsibilities shall comply with the applicable regulations governing audit firms and auditors.”;

3. in § 18(2):

- 1) item 1 shall be replaced by the following:

“1) assessing the financial statements for the previous financial year and the Exchange Management Board’s report on the activity of the Company, containing among others information on representation expenses, as well as legal fees, marketing service charges, public relations and social communications service charges, and management advisory service charges,”;

- 2) item 7 shall be replaced by the following:

“7) determining the terms and conditions of contracts and remuneration of members of the Exchange Management Board on the basis of the resolution of the General Meeting referred to in § 9.1a(2),”;

- 3) item 11 shall be replaced by the following:

“11) appointing the audit firm to audit the Company’s financial statements,”;

- 4) in item 15, the full stop shall be replaced by a comma, and items 16-20 shall be added as follows:

“16) approving agreements concerning:

- a) a donation or another agreement with a similar effect at a value greater than PLN 20,000 or 0.1% of the total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements;
- b) cancellation of debt or another agreement with a similar effect at a value greater than PLN 50,000 or 0.1% of the total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements;

17) approving an agreement concerning legal services, marketing services, public relations and social communications services, and management advisory services where the total fee for the services is to be greater than PLN 500,000 net per annum;

18) approving amendments to an agreement concerning legal services, marketing services, public relations and social communications services, and management advisory services where the total fee is to be increased above the amount referred to in item (17);

19) approving an agreement concerning legal services, marketing services, public relations and social communications services, and management advisory services where the total fee is not set;

20) approving the Company's sale, otherwise than in a tender, of a non-current asset within the meaning of the Accounting Act of 29 September 1994 at a value greater than 0.1% of the total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements of the Company.";

4. § 18.3(5) shall be replaced by the following:

"5) approving an acquisition or disposal of shares or participations in commercial law companies where their value at the acquisition price or selling price is greater than 1/10 of the share capital of the Company, subject to § 9.1a(3)(c) and (d) and § 9.2(2).";

5. § 20 shall be replaced by the following:

"§ 20.

1. The Exchange Management Board shall be the Company's executive body and shall be composed of 3 to 5 members, including the President. The Exchange Management Board members will be appointed for a joint term of office of four years.

2. The President of the Exchange Management Board shall be appointed and dismissed by the General Meeting.

2. Subject to item 2, members of the Exchange Management Board shall be appointed and dismissed by the Exchange Supervisory Board following a qualification procedure carried out by the Exchange Supervisory Board in order to check and assess the qualifications of the candidates and to select the best candidate. The terms and conditions of the qualification procedure shall be defined by the Exchange Supervisory Board.

4. Members of the Exchange Management Board:

1) shall meet all of the following conditions:

- a) compliance with the requirements of the Act on Trading in Financial Instruments of 29 July 2005;
- b) having university education or foreign university education recognised in the Republic of Poland under separate regulations;
- c) having at least 5 years of prior employment under an employment agreement, nomination, election, appointment, a co-operative employment agreement or services provided under another agreement or economic activity carried out on own account;
- d) having at least 3 years of experience in management or independent positions or economic activity carried out on own account;
- e) compliance with requirements other than those under (a)-(d) set out in the generally applicable regulations, including in particular non-infringement of limitations or prohibitions for the position of a member of a management authority of commercial companies;

2) shall not meet any of the following conditions:

- a) being a community liaison or employee of the office of a deputy, senator, deputy and senator, or Member of the European Parliament under an employment agreement or providing services under a commission contract or another similar agreement;
- b) being a member of an authority of a political party which represents the political party and is authorised to assume obligations;
- c) being employed by a political party under an employment agreement or providing services under a commission contract or another similar agreement;
- d) serving in an elective function in a company trade union or a company trade union of a member of the group;
- e) conducting social or for-profit activity which creates a conflict of interest for the activity of the company.

5. The Exchange Management Board shall manage the Company's affairs and assets and represent it in relations with third parties. The Exchange Management Board shall have all the powers that are not vested in the General Meeting or the Exchange Supervisory Board. The Exchange Management Board shall adopt resolutions by an absolute majority of votes. In the event of a tie, the President of the Exchange Management Board shall have the casting vote.

6. The Exchange Management Board Rules shall specify the detailed operating procedures of the Exchange Management Board.”;

6. after § 22, § 22a shall be added as follows:

“§ 22a.

1. Non-current assets within the meaning of the Accounting Act whose value is greater than 0.1% of the Company's total assets determined on the basis of the most recent approved financial statements may be disposed in a tender unless:

- 1) the value of the asset to be sold is greater than PLN 20,000 (twenty thousand zlotys); or
- 2) the Exchange Supervisory Board approves its disposal in another procedure.

2. If non-current assets referred to in sub-paragraph 1 are to be sold, the Management Board shall define the terms and conditions of the tender including without limitation:

- 1) the method of publishing tender information;
- 2) the method of determining the opening price of the non-current assets to be sold, if the tender procedure requires the Company to set an opening price;
- 3) the minimum requirements to be met by tenderers and their bids;
- 4) the deadline for the submission of bids and the closing of the tender;
- 5) the conditions under which the price may be reduced below the opening price or the terms and conditions of the tender may be amended or the tender may be closed without selecting a bid;

subject to the requirement of protecting the interests of the Company.”.