

RULES OF PROCEDURE OF THE SUPERVISORY BOARD of Bank Polska Kasa Opieki Spółka Akcyjna

§ 1

The Supervisory Board of Bank Polska Kasa Opieki Spółka Akcyjna, hereinafter referred to as "**Bank**", acts on the basis of legal regulations in force, particularly, the Banking Act and provisions of the Code of Commercial Companies as well as on the basis of the Articles of Association of the Bank and these Rules of Procedure.

§ 2

Subject to the provisions of § 1 above, these Rules of Procedure specify the organisation and proceedings of the Supervisory Board.

§ 3

1. The Supervisory Board performs continuous supervision over activities of the Bank, in all areas of the Bank's operations, taking also into consideration the function of the dominant company performed by the Bank in relation to its subsidiaries.

2. The Supervisory Board and its individual members shall, when exercising supervision, be guided by impartial assessment and judgement.

3. In the event of detection, in the course of performing supervision activities, of abuses, major errors, including such that have a significant impact on the contents of the financial information or other serious irregularities in the Bank's functioning, the Supervisory Board shall undertake appropriate actions, in particular, it may demand the Bank Management Board to provide explanations and request it to introduce efficient solutions to counteract the occurrence of similar irregularities in the future.

4. Unauthorised exertion of influence by a Bank shareholder on the Supervisory Board shall be reported to the Polish Financial Supervision Authority (KNF).

§ 4

1. The Supervisory Board adopts resolutions on matters reserved for its competence scope pursuant to the provisions of the Articles of Association of the Bank, provisions of the common law in force and recommendations of the supervisory authorities.

2. The Supervisory Board shall perform regular assessment of the application of the Principles of Corporate Governance for Supervised Institutions issued by the Polish Financial Supervision Authority, adopted by the Bank, and the results of the assessment shall be submitted to the remaining bodies of the Bank. The results of the assessment should be made available on the Bank's web site.

§ 5

1. A member of the Supervisory Board is obliged to maintain confidentiality of information obtained in relation to the performance of his/her function in the Supervisory Board.

2. A member of the Supervisory Board should refrain from undertaking professional or non-professional activities which could lead to a conflict of interest or have an adverse impact on his or her reputation as a Supervisory Board member.

3. A member of the Supervisory Board should provide the Bank Management Board with information about his or her relations with any shareholder holding stocks representing minimum 5% of total votes at the General Meeting of Shareholders. This obligation applies to relations of an economic, family-like or other nature which may affect the position of the Supervisory Board Member on a matter considered by the Supervisory Board.

4. A member of the Supervisory Board is obliged to provide the Bank Management Board with information, documents and statements necessary for assessing whether he or she fulfils relevant requirements of suitability and independence within the scope specified in Bank's separate regulations.

§ 6

1. The Supervisory Board performs its duties collectively. However, in order to facilitate the works of the Supervisory Board and to ensure better organisation of its work, the Supervisory Board may appoint, and in the cases specified in section 5 appoints, committees and teams consisting of its members. The Supervisory Board may also delegate one or several members of the Supervisory Board to perform supervision independently within the scope determined by the Supervisory Board.

2. In the event that the Supervisory Board is elected in a vote by separate groups, each group has the right to delegate one of the members of the Supervisory Board to individually perform supervisory tasks on a permanent basis.

3. The member of the Supervisory Board delegated to perform tasks on a permanent basis should submit to the Supervisory Board detailed reports on the performed function.

4. The Supervisory Board may request the Management Board to prepare, at the Bank's expense, expert opinions on, analyses of and investigations in, or obtain an opinion, at the Bank's expense, also of external entity, on matters belonging to its competence scope.

5. The Supervisory Board shall appoint Audit Committee, Committee for Nominations and Remunerations and Risk Committee.

6. The purpose of the functioning of the Audit Committee is to support the Supervisory Board in fulfilment of its duties concerning monitoring of an internal control system, financial audit services, assessment of adequacy, effectiveness and efficiency of whole internal control system and risk management system, compliance with legal regulations and procedures regulating Bank operations, independence of the Bank's auditor and entities authorised to audit financial statements and internal audit unit's resources as well as performing other activities provided by law.

7. The purpose of the functioning of the Nomination and Remuneration Committee is to support the Supervisory Board in fulfilment of its duties by:

1) presenting proposals to settle conditions and terms of agreements regulating labour relationship or another legal relationship connecting the Management Board members with the Bank, including remunerations for the members of the Management Board and also related to the approval of the policy for variable remuneration components of people holding Bank's managerial positions in accordance with separate regulations and to present the General Meeting of Shareholders with proposals of remuneration of the Supervisory Board members;

2) preparing recommendations on fulfilment of suitability requirements for the purpose of appointing the members of the Management Board and the Supervisory Board in accordance with relevant regulations,

3) preparing a report of the assessment of the functioning of the remuneration policy in the Bank to be submitted to the General Meeting.

8. The main objective of Risk Committee is, in particular:

1) Expressing opinion on the overall current and future readiness of the Bank to take risks,

2) Expressing opinion on the risk management strategy in the Bank's activity, worked out by the Management Board, and information concerning realisation of the strategy, submitted by the Management Board,

3) Supporting the Supervisory Board in supervising the implementation in the Bank by senior management of the risk management strategy,

4) Reviewing whether overall prices' level of liabilities and assets offered to clients take fully into account the Bank's business risk strategies, and in case the prices' level does not properly reflect types of risks in accordance with these strategies, presenting proposals to the Management Board on ensuring the adequacy of the prices of assets and liabilities to these types of risks.

9. The rules for the functioning of the Audit Committee, the Nomination and Remuneration Committee and of the Risk Committee, the tasks of the committees as well as the procedure of and criteria for appointment of the members of the committees have been specified in the rules of procedure of those committees passed by the Supervisory Board.

10. The committees appointed by the Supervisory Board shall submit to the Supervisory Board annual reports on their activity.

§ 7

1. The Supervisory Board shall elect, from among its members, the Chairman, two Deputy Chairmen, and the Secretary. The Deputy Chairman may simultaneously perform the function of the Secretary of the Supervisory Board.

2. The Chairman of the Supervisory Board should:

1) have a good knowledge of Polish banking market, due to a joint fulfilment of the following criteria: having professional experience in the Polish market adequate to the supervisory function held in the Bank, having a permanent place of residence in Poland, command of the Polish language;

2) possess team management skills.

Moreover, it is desirable that the Chairman of the Supervisory Board would fulfil the independence requirement.

3. The Chairman, the Deputy Chairmen and the Secretary shall be elected by the Supervisory Board at its first meeting called by the Management Board. The decision to call the first meeting shall be made within 2 weeks upon appointing the Supervisory Board by the General Meeting of Shareholders.

4. The Supervisory Board may at any time recall a Board member from the function of the Chairman, any of the Deputy Chairmen and the Secretary and hold elections to fill in such functions. Such elections shall take place during the same meeting at which the recalling took place.

5. In the case of the Chairman's absence, the substituting person is the Deputy Chairman appointed by the Chairman, who shall exercise all his/her rights and duties. The Supervisory Board may establish rules for substitution of the Chairman by each of the Deputy Chairmen. The rules of substitution, if adopted, shall constitute an Appendix hereto.

6. If the Chairman, any of the Deputy Chairmen and/or the Secretary cease to hold their functions for reasons other than being recalled by the Supervisory Board, re-election to fill-in the vacancies shall take place at the next meeting.

7. Resolutions on appointing persons referred to in Section 1 above, are adopted by an absolute majority vote, in presence of at least one half of all members, in secret ballot. Until the Chairman is elected, the meeting shall be chaired by the oldest member of the Supervisory Board.

§ 8

1. The Secretary of the Supervisory Board in consent with the Chairman or the Deputy Chairman indicated by the Chairman shall prepare a draft plan of activities of the Supervisory Board for the given financial year.

2. The Supervisory Board shall accept this plan at the first Supervisory Board meeting in the financial year to which such a plan of activities refers.

3. The plan of activities of the Supervisory Board may be modified or supplemented during the financial year upon request of any member of the Supervisory Board or the Management Board of the Bank.

§ 9

1. A meeting of the Supervisory Board, subject to article 389 § 2 of the Code of Commercial Companies, is called by its Chairman.

2. A meeting is convened as required, but not less frequently than every two months.

3. Irrespectively of the meetings referred to in Section 2 above, meetings shall be called upon a written request of the Management Board of the Bank or of a Supervisory Board member. In such a case, the meeting shall be convened within two weeks upon the date of receiving the request.

4. The meetings of the Supervisory Board shall be held at the Bank's Head Office at Żwirki i Wigury 31 in Warsaw or at any other location specified in the notice thereof.

5. The Supervisory Board may hold meetings with the use of the means of long distance communication via telephone or an ICT system of image or sound transmission, including a teleconference system.

6. The Supervisory Board meetings shall be held in the Polish language, unless a majority of the Supervisory Board members does not speak Polish. If necessary, the Bank Management Board shall provide assistance of an interpreter.

§ 10

1. Unless the Rules of Procedure specify otherwise, notices of calling the meeting or information provided for by the Rules, shall be sent to the members of the Supervisory Board by electronic mail to the electronic address assigned by the Bank to the Supervisory Board Members. Members of the Supervisory Board are required to use this electronic address in electronic correspondence with the Bank or in electronic correspondence in matters of the Supervisory Board provided for in these Rules.

2. Notices of calling the meeting of the Supervisory Board are sent to the Members of the Supervisory Board at least seven days prior to the date of the meeting. In justified cases, the person authorised to call the meeting may order other than provided for in Section 1 above, manner and deadline for notification of the members of the Supervisory Board of the date, hour and place of the meeting.

3. Any such notice shall state the agenda, date and place of the meeting. Materials regarding matters covered by the agenda shall be supplied prior to the meeting, and when possible together with the notice of calling the meeting.

In special cases, the Chairman (or, in case of no possibility to contact the Chairman, one of the Deputy Chairmen) may decide that materials relating to matters included in the agenda may be delivered at a later date, but not later than 3 business days before the meeting. This deadline may be further shortened if the necessity to comply with it would prevent the Supervisory Board from adopting a resolution within the deadline allowing the Bank to meet the requirements specified in the provisions of law, or if all members of the Supervisory Board consent to such subsequent delivery of materials (for the avoidance of doubt, the said consent may be expressed via e-mail).

4. The agenda of the Board may be changed during the meeting which it concerns, if all the members of the Supervisory Board are present at the meeting and give their consent to change the agenda.

5. The agenda may also be changed when undertaking specific actions by the Supervisory Board is necessary for protecting the Bank from a damage, as well as in the event of a resolution, the subject of which is an appraisal of whether a conflict of interest exists between a Supervisory Board member and the Bank.

§ 11

1. Resolutions of the Supervisory Board shall be valid provided that all members have been notified about the meeting and at least half of its members, including the Chairman or one of the Deputy Chairmen, participate in the meeting, save as otherwise provided for in § 7 Section 7.

2. Upon occurrence of a conflict of interest or if a conflict of interest may occur, the member of the Supervisory Board should inform the Supervisory Board of this fact and refrain from taking part in the discussion and voting on the adoption of the resolution regarding the matter in which the conflict of interest arose or in which a conflict of interest may occur.

3. Resolutions are adopted by the absolute majority of votes of the members of the Supervisory Board participating in the meeting.

4. In special cases, the resolution of the Supervisory Board may be adopted with the use of the means of long distance communication via telephone or an ICT system of image or sound transmission, including a teleconference system, if all members of the Supervisory Board are notified of the content of the draft resolution and the method of long distance communication in order to adopt the resolution. Members of the Supervisory Board voting via means of long distance communication sign the resolutions adopted at the next meeting of the Supervisory Board at which they are physically present.

5. In special cases, adoption by the Supervisory Board of the resolution using means of long distance communication in the form of e-mail is also possible outside the meeting of the Supervisory Board.

In order to adopt the resolution in the above manner, all members of the Supervisory Board should be notified of the voting by e-mail, the content of the draft resolution, the deadline for voting and the method of voting by e-mail. The Chairman sets the deadline for voting.

Adoption of a resolution via e-mail takes place by an absolute majority of votes, in this case understood as voting in favor of the resolution by more than half of all members of the Supervisory

Board. The resolution is presented by the Chairman at the next meeting of the Supervisory Board together with the voting results. Members of the Supervisory Board voting via means of long distance communication sign the resolutions adopted at the next meeting of the Supervisory Board at which they are physically present.

6. The resolution of the Supervisory Board may be adopted by circulation. Adoption of the resolution in this manner takes place if the draft of the resolution has been submitted to all members of the Supervisory Board. Adoption of a resolution takes place by an absolute majority of votes, in this case understood as signatures "in favor" of the resolution by more than half of all members of the Supervisory Board.

7. Resolutions on appointing and recalling of the President of the Management Board and on appointing and recalling members of the Management Board upon request of the President of the Management Board, as well as on suspending these persons from their duties are adopted by secret ballot.

8. The Supervisory Board Chairman shall order a secret ballot vote also upon request of at least one Supervisory Board member.

9. Resolutions adopted in a secret ballot vote may not be adopted by circulation or through means of long distance communication.

10. Formal motions may be considered even when they have not been placed on the agenda of the meeting.

§ 12

The meetings of the Supervisory Board are chaired by the Chairman.

§ 13

1. The Supervisory Board meetings shall be recorded in the sequentially numbered meeting minutes, which shall reflect the course of proceedings during the sittings and shall contain inter alia forenames and surnames of the Supervisory Board' members present at the meeting, if applicable, voting in the manner specified in § 11 section 4, the agenda of the meeting, the wording of the adopted resolutions, the number of votes given to particular resolutions and dissenting opinions, if submitted, along with information about the reason for submitting a dissenting opinion.

2. The person preparing the minutes shall be appointed by the Secretary of the Supervisory Board.

3. Minutes are to be approved at the next meeting of the Supervisory Board. Any member of the Supervisory Board may, no later than until the minutes have been approved, demand that the minutes be amended.

4. The minutes shall be signed by all members of the Supervisory Board present at the meeting recorded in the minutes.

5. The minutes of the meeting of the Supervisory Board, which was conducted in the manner specified in § 11 section 4, shall be signed by all members of the Supervisory Board taking part in this meeting. The minutes should also mention that the member of the Supervisory Board who has not participated in the adoption of the resolutions in that manner, had an opportunity of participating in the adoption of the resolutions.

6. The minutes of the meetings of the Supervisory Board for the period of the common term of office of the members of the Supervisory Board shall be kept in a file at the Bank's Head Office at Żwirki i Wigury 31 in Warsaw.

7. The minutes and the contents of the adopted resolutions or other major decisions of the Supervisory Board should be drawn in Polish or translated into Polish.

8. Cooperation of the Supervisory Board with the entity authorised to examine financial statements should be documented.

§14

1. The meetings of the Supervisory Board, with the exception of the meetings regarding matters relating directly to the Management Board or its members, concerning, in particular, recalling, liability

and determination of remuneration, should be open and accessible to the members of the Management Board.

2. Bank employees and other persons may be invited to the meetings of the Supervisory Board. If the subject of the meeting of the Supervisory Board are issues related to the internal control system, including compliance, internal audit or risk management, the person managing the internal audit unit and the person managing the compliance unit or persons replacing them are invited to the meetings of the Supervisory Board.

§ 15

The person chairing the meeting may order to hold a meeting of the Supervisory Board without the participation of persons who are not members of the Supervisory Board. The minutes of such meetings shall be drawn by the Secretary of the Supervisory Board and in case of his or her absence, by a member of the Supervisory Board appointed by the person chairing the meeting and shall be kept in the files maintained by the Secretary of the Supervisory Board.

§ 16

For participation in the meetings of the Supervisory Board its members shall receive remuneration, the amount of which is determined by the General Meeting of Shareholders.

§ 17

Costs of the Supervisory Board's activities shall be borne by the Bank.