

REGULATIONS GOVERNING TRANSACTIONS IN NON-TREASURY DEBT SECURITIES TRADED OUTSIDE THE REGULATED MARKET AND FOREIGN SECURITIES AT ING BANK ŚLĄSKI S.A.

1. DEFINITIONS

- 1.1 **Bank** - ING Bank Śląski Spółka Akcyjna;
- 1.2 **Price per 100** - the price per one hundred monetary units of the nominal value of the Securities, Accrued Interest excluded in the case of coupon instruments;
- 1.3 **Settlement Date** - the date on which the Client's Settlement Account is to be credited or debited for the execution of the Transaction;
- 1.4 **Transaction Date** - the date on which the Transaction Parameters are agreed between the Parties;
- 1.5 **Maturity Date** - means the date on which, in accordance with the Terms of Issue, the Issuer is obliged to pay the Redemption Amount;
- 1.6 **Depository** - a Bank or other entity which keeps records of Debt Securities in accordance with the Terms of Issue or with which Debt Securities issued in a documentary form have been deposited;
- 1.7 **Debt Securities (DS)** - single-series, non-Treasury debt securities not admitted to trading on a Regulated Market, issued by the Issuer in a non-documentary (dematerialised) or documentary form, in particular bonds, bills of exchange, covered bonds or bank securities, the trading and issuance of which is carried out in accordance with the provisions of Polish law;
- 1.8 **Interest Payment Date** - the date on which the Issuer is obliged to pay the Accrued Interest Amounts in accordance with the Terms of Issue;
- 1.9 **Business Day** - any day from Monday to Friday, with the exception of public holidays, on which the Bank carries out its banking activities and, in the case of settlement of Transactions in a currency other than PLN, on which the main financial centres in the country of the currency used for the settlement of the Transaction make settlements;
- 1.10 **Issuer** - the entity issuing the Securities;
- 1.11 **Financial Institution** - a domestic or foreign bank, a credit institution and other entities that are recognised as financial institutions under the Banking Law, in particular a leasing company or an insurance company;
- 1.12 **Clearing House** - an institution intermediating in the settlement of Transactions or the settlement of issues of Securities
- 1.13 **Client** - the Business Clients Division or Wholesale Banking Division, excluding domestic banks, foreign banks and credit institutions within the meaning of the Banking Law of 29 August 1997, who is a resident or non-resident within the meaning of the Act of 27 July 2002 "Foreign Exchange Law" (Journal of Laws No. 141, item 1178, as amended);
- 1.14 **Funding Costs** - interest on the amount of the outstanding commitment, calculated at the benchmark interest rates referred to in Section 16.9, for one-month deposits in the currency of the outstanding commitment in force on the maturity date;
- 1.15 **Accrued Interest Amount** - the sum of the cash consideration payable under the Terms of Issue to the holders of the Securities by the Issuer for which the Bank is the Depository;
- 1.16 **Nominal Amount** - the sum of the nominal values of the Securities that are the subject of the Transaction;
- 1.17 **Redemption Amount** - the sum of the cash consideration payable under the Terms of Issue to the holders of the Securities by the Issuer on the Maturity Date for which the Bank is the Depository;
- 1.18 **Accrued Interest** - the unpaid interest that has accrued on the Securities during the period from and including the issue date or the last interest determination date (whichever is later) to the Settlement Date, excluding that date;
- 1.19 **Late Payment Interest** - interest for late payment, determined in accordance with the Ordinance of the President of the Bank Management Board dated 30 July 2007 (No. Korp/260/2007) on the amount of increased interest on outstanding debt in PLN and convertible currency applicable to corporate clients (the "Ordinance"), or the regulation that will amend or replace the Ordinance, available at www.ing.pl;
- 1.20 **Authorised Person** - a person authorised by a Party to enter into Transactions on its behalf, or to send letters by a Party, designated in accordance with Clause 2.5;
- 1.21 **Issuance Agreement Package** - the agreements signed by the Bank with the Issuer governing the Bank's servicing of the Debt Securities issues;
- 1.22 **Securities** - Debt Securities or Foreign Securities;
- 1.23 **Foreign Securities** - means bearer debt securities which are the subject of the Transaction, issued outside Poland on the basis of relevant regulations, including sovereign bonds, treasury bills, Eurobonds, corporate debt securities and debt securities of international financial institutions. Foreign Securities do not include treasury bonds and bills and Eurobonds issued by the State Treasury of the Czech Republic;
- 1.24 **Transaction Parameters** - means the elements and conditions of the Transaction which must be agreed upon by and between the Parties, in the manner indicated in Clause 3, to conclude the Transaction;
- 1.25 **Transaction Confirmation** - a document drawn up by the Bank containing the agreed Transaction Parameters;
- 1.26 **Banking Law** - Act of 29 August 1997 - Banking Law (Journal of Laws of 2002, No. 72, item 665, as amended) or a legal act that will amend or replace this Act;
- 1.27 **Bankruptcy and Reorganisation Law** - Act of 28 February 2003 - Bankruptcy and Reorganisation Law (Journal of Laws of 2003, No. 60, item 535, as amended) or a legal act that will amend or replace this Act;



- 1.28 **Event of Default** - an event of fact or law as defined in Clause 9.1;
- 1.29 **Securities Account** - means (a) the Bank's account from which and to which the Securities that are the subject of the Transaction are transferred, and (b) the Client's account from which and to which the Securities that are the subject of the Transaction or that are covered by the Client on the primary market are transferred, maintained by the Bank on the terms set out in the Custody Services Agreement concluded with the Client and in the General Terms and Conditions of Providing Custody Services, indicated by the Client at the time of the Agreement of the Transaction Parameters, or if the settlement of the Transaction or the issue of Securities on the primary market is made through a Clearing House and in the case of Transactions in Foreign Securities, it may be the Client's account indicated by the Client and maintained by an entity other than the Bank authorised to maintain such an account under applicable laws;
- 1.30 **Settlement Account** - means (a) the Bank's account through which monetary obligations relating to Transactions are settled and (b) the Client's bank account maintained by the Bank on the basis of the bank account agreement between the Bank and the Client or, if the Bank agrees, a bank account maintained by an entity other than the Bank authorised to maintain such an account under applicable law, designated in a manner agreed between the Bank and the Client;
- 1.31 **General Terms and Conditions of Providing Custody Services** - General Terms and Conditions of Providing Custody Services at ING Bank Śląski S.A., introduced by Ordinance of the President of ING Bank Śląski S.A. No. 185/2010 of 12 May 2010 (as amended) or a regulation that will amend or replace these General Terms and Conditions;
- 1.32 **Regulations Concerning FX Spot Transactions** - Regulations concerning FX Spot Transactions with Corporate Clients at ING Bank Śląski S.A., in accordance with the Ordinance of the President of the Bank Management Board dated 13 May 2010 (No. 187/2010) (as amended) or a regulation that will amend or replace these regulations;
- 1.33 **Regulated Market** - a regulated market within the meaning of the Act on Trading in Financial Instruments of 29 July 2005 (Journal of Laws No. 183, item 1538, as amended) or a legal act amending or replacing it;
- 1.34 **Force Majeure** - any event as defined in Clause 10.1;
- 1.35 **Parties** - the Client and the Bank;
- 1.36 **Affected Party** - the Party affected by the Force Majeure event;
- 1.37 **Defaulting Party** - the Party that suffered the Event of Default or where the Event of Default occurred;
- 1.38 **Non-Defaulting Party** - the party other than a Defaulting Party;
- 1.39 **Term Sheet** - a document in which the principal terms and conditions of the issue of Foreign Securities are set out;
- 1.40 **Transaction** - a DS Transaction or a Foreign Securities Transaction;
- 1.41 **Affected Transaction** - means any Transaction affected by Force Majeure event;
- 1.42 **DS Transaction** - a transaction involving either the purchase of Debt Securities by the Client from the Bank or the sale of Debt Securities by the Client to the Bank;
- 1.43 **Foreign Securities Transaction** - a transaction involving the purchase of Foreign Securities by the Client from the Bank or the sale of Foreign Securities by the Client to the Bank;
- 1.44 **Contingent Transaction** - means the Transaction referred to in Clause 3.9;
- 1.45 **Act on Public Offering** - the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies (Journal of Laws No. 184, item 1539, as amended), or the legal act that will amend or replace it;
- 1.46 **Agreement of the Transaction Parameters** - the submission by the Parties of concordant declarations of will accepting the Transaction Parameters in the manner indicated in Clauses 3.2 to 3.3;
- 1.47 **Transaction Value** - the total amount of the monetary consideration arising from the Transaction;
- 1.48 **Terms of Issue** - a document setting out the terms of performance of the Securities, describing the mutual rights and obligations of the Issuer and the holders of the Securities; in particular, in the case of Foreign Securities, it may be a Term Sheet;
- 1.49 **Security** - the security established (or to be established) in accordance with the provisions of Clause 5;
- 1.50 **Notice of Default** - a notice that an Event of Default has occurred as defined in Clause 9.9;
- 1.51 **Withdrawal Notice** - a notice of withdrawal from a Transaction as defined in Clause 9.6;
- ## 2. GENERAL PROVISIONS
- 2.1 The subject matter of these Regulations are the rules for the conclusion and settlement of Transactions, including Contingent Transactions, between the Parties and the purchase of Securities by the Client in the primary market.
- 2.2 The provisions of the Regulations do not impose any obligation on the Parties to enter into any Transaction.
- 2.3 Terms relating to the Transaction, such as "buy" or "sell", are from the Client's point of view.
- 2.4 The Bank is authorised to perform all factual and legal acts necessary or incidental to the conclusion and execution of Transactions between the Bank and the Client, in particular those necessary or incidental to the effective transfer of ownership of the Securities to the Bank or the Client.
- 2.5 The Client shall indicate the Authorised Persons, e-mail address or telephone numbers and its address, in the power of attorney (the "**Power of Attorney**"), and shall revoke the Power of Attorney in its entirety in the Revocation of Power of Attorney (the "**Revocation of Power of Attorney**"), in both cases in accordance with the current form in force at the Bank, which can be found on the website referred to in Clause 2.8 below, or in another form acceptable to the Bank.
- 2.6 In the event of a change of Authorised Persons or a change of other data disclosed in the Power of Attorney, the Client is obliged to inform the Bank thereof immediately by delivering a new Power of Attorney to the Bank and, if the Power of Attorney is revoked in its entirety, by delivering a Revocation of the Power of Attorney. Such changes shall be binding upon the Bank's approval of the content of the new Power of Attorney or Revocation of the Power of Attorney, but not earlier than 5 Business Days from the date of its delivery to the Bank, unless the Bank agrees to an earlier date.
- 2.7 Should the data not be changed in the manner indicated in Clause 2.6, the Bank's letters shall be deemed to have been delivered 7 days after being sent to the last address indicated in the Power of Attorney.
- 2.8 The Bank indicates the Authorised Persons, the Bank's Settlement Account numbers, the Bank's Securities

- Account numbers, telephone numbers and its address, on the website www.ing.pl.
- 2.9 The Bank has the right to contact the Client to provide general information on the possibility of Transactions.
- 2.10 The place where the Transaction is executed is the Bank.

3. ENTERING INTO TRANSACTIONS

- 3.1 The Bank has the right to refuse to enter into a Transaction with the Client without giving any reason.
- 3.2 The Agreement of the Transaction Parameters, subject to Clause 3.3, shall take place by phone. In the case of Clients who are Financial Institutions, the Agreement of the Transaction Parameters, subject to Clause 3.3, shall take place by phone or by means of electronic communication, excluding e-mail.
- 3.3 The Agreement of the Transaction Parameters may take place by means other than those set out in Clause 3.2, by prior agreement between the Parties.
- 3.4 In the event that the Parties have not agreed on a Transaction Parameter that is subject to arithmetic calculation from the agreed Transaction Parameters, such Transaction Parameter shall be deemed to have been agreed in an amount consistent with such calculation upon agreement on the remaining Transaction Parameters.
- 3.5 A Transaction is concluded when the Transaction Parameters are agreed in the manner set out in Clauses 3.2 - 3.4.
- 3.6 Should there be any discrepancies between the agreed Transaction Parameters and these Terms and Conditions, the agreed Transaction Parameters shall prevail.
- 3.7 When entering into a Transaction, the Parties shall specify the following Transaction Parameters:
- Parties to the Transaction,
 - the direction of the Transaction entered into by the Client (buy or sell);
 - the name of the DS Issuer or the type of Foreign Security depending on the object of the Transaction;
 - Transaction Date;
 - Maturity date;
 - Settlement Date;
 - Price per 100;
 - Nominal Amount;
 - Transaction Value;
 - Transaction Currency.
- 3.8 The parties may specify the Transaction Parameters by means of wording different from that provided for in these Regulations, in particular as used in trading practice, if it is possible to properly attribute to them the Transaction Parameters defined herein.
- 3.9 When the Transaction Parameters are being agreed in accordance with Clause 3.5, the Parties may specify the condition(s) upon the satisfaction of which the effect of the Transaction will depend (the "Contingent Transaction"), provided that one of the conditions referred to above must be the Price per 100 and the date after which, if the condition(s) are not satisfied, the Contingent Transaction will bind the Parties no longer. In the case of a Contingent Transaction, the Transaction Date will be the date on which the condition(s) are fulfilled and will not be determined by the Parties when agreeing the Transaction Parameters. For the avoidance of doubt, the Parties acknowledge that the conclusion of the Transaction and the legal effects related thereto shall take place upon the fulfilment of the condition(s) specified between the Parties.
- 3.10 The effects of a Contingent Transaction shall not occur if, between its conclusion and the fulfilment of the condition(s) specified by the Parties pursuant to Clause 3.9 above, an Event of Default has occurred with respect to the Client and the Bank has served the Client with a Notice of Default pursuant to Clause 9.8 or a Force Majeure event has occurred.
- 3.11 When entering into a Transaction, the Client shall inform the Bank of the Settlement Account and the Securities Account used to settle the Transaction.
- 3.12 If, under a Transaction, the Client acquires Securities with funds borrowed from the Bank, the Client shall inform the Bank of this fact before entering into such Transaction. If such information is not provided, the Bank may assume that the Client is not purchasing Securities with funds borrowed from the Bank.
- 3.13 Determining whether or not the declaration of will expressed upon Agreement of Transaction Parameters by phone was submitted on behalf of the Party by the authorised person shall be done in the following way: the Authorised Person should introduce himself/herself by providing his/ her name and surname and should also provide the full or common name of the Party being represented provided the said common name enables proper identification of the Party. In case the Transaction Parameters are agreed by phone, determining in accordance with the rules of the Power of Attorney to conclude transactions whether a declaration of will was made on behalf of a Party by an authorised person.
- 3.14 Each of the Parties is entitled to record electronically any and all telephone calls as well as other forms of communication specified in Clause 3, regardless of whether they have led to the Agreement of the Transaction Parameters or not. The recordings made in such a way will be used as evidence during arbitration, court or any other proceedings.

4. ACQUISITION OF DEBT SECURITIES ON THE PRIMARY MARKET

- 4.1 The Bank, on behalf of the Issuer, may make a proposal to the Client, in writing or by telephone, to acquire Debt Securities on the primary market. If the acquisition proposal is made by the Bank in writing, the Client shall accept such proposal in writing on a form provided by the Bank. If the acquisition proposal is made by the Bank in the form of a telephone call, the Client accepts such proposal during that call. The Client's acceptance of the purchase proposal shall constitute the conclusion of a Debt Securities sale agreement with the Issuer. In the case of Debt Securities issued in the form of a document, the issuance of such Debt Securities to the Client is required for the transfer of the rights thereunder. The Bank confirms the release of the Debt Securities through the relevant entries in the Client's Securities Account if such Account is maintained by the Bank.
- 4.2 If the Client has accepted an offer to purchase Debt Securities on the primary market in accordance with Clause 4.1 above, on the date of payment for the Debt Securities to be purchased, (i) if the Client's Settlement Account is maintained by the Bank from 1:00 p.m. until the settlement of the transaction of the purchase of such Debt Securities, the Client shall have available funds in the Settlement Account to enable the Client to make payment for the Debt Securities to be purchased, (ii) if the Client's Settlement Account is not maintained by the Bank, the transfer of funds for the Client's purchase of Securities on the primary market shall be made in

- accordance with the provisions of the proposal to purchase the Debt Securities.
- 4.3 The Client authorises the Bank to pay the Issuer on its behalf the amounts due for the Debt Securities purchased by the Client from the Issuer on the primary market through the Bank, by debiting such amounts from the Client's Settlement Account if the Settlement Account is maintained by the Bank.
- 4.4 The Client authorises the Bank to take all actions on behalf of the Client with respect to the Issuer as provided for in the Terms of Issue, in particular to collect the Debt Securities from the Issuer or cash benefits due to the Client under Debt Securities if its Securities Account is maintained by the Bank.
- 4.5 The above authorisations are effective notwithstanding the fact that in the transaction for the acquisition of Debt Securities by the Client from the Issuer in the primary market through the agency of the Bank, the Bank may also act on behalf of the Issuer.

5. OTHER TERMS AND CONDITIONS OF TRANSACTIONS

- 5.1 In order for the Parties to enter into Transactions with each other, the Client must have a Settlement Account and a Securities Account.
- 5.2 In the case of a Transaction for the purchase of Securities by the Client, the Bank may condition the conclusion of a Transaction on the Client's provision of security for the Client's performance of its obligations under the Transaction in the form of a blockade of funds on the Client's Settlement Account or in any other form agreed by the Parties, including a blockade on the Client's Securities Account maintained by the Bank, in an amount equal to the Transaction Value. This security is established for the period from the date on which the Transaction Parameters are agreed between the Parties until the Transaction is fully settled.
- 5.3 The Bank may block, on the Client's Settlement Account or Securities Account maintained by the Bank, cash or Securities, as the case may be, on the terms agreed with the Client in accordance with the procedure provided for the Agreement of Transaction Parameters. Such arrangements shall provide that such blocking shall be released by the Bank when a specified event occurs.
- 5.4 In the event of a Transaction for the sale of Securities by the Client, the Bank shall block the Securities that are the subject of the Transaction in the Client's Securities Account maintained by the Bank until the final settlement of the Transaction.

6. TRANSACTION CONFIRMATIONS

- 6.1 The Bank confirms the Transaction Parameters by sending the Transaction Confirmation to the Client: (i) for a Transaction that is not a Contingent Transaction - after the Transaction Parameters have been agreed, and (ii) for a Contingent Transaction - after all conditions specified by the Parties have been met.
- 6.2 Transaction Confirmation is sent by the Bank immediately by e-mail, registered letter or via the ING Business online banking system.
- 6.3 In the event of any discrepancy between the agreed Transaction Parameters and the Transaction Parameters stated in the Transaction Confirmation, the Client is obliged to contact the Bank's Authorised Persons by 4:00 p.m. on the next Business Day following the day of receipt of the Transaction Confirmation at the latest in order to clarify the

discrepancy. Failure to raise any objections to the content of the Transaction Confirmation by this deadline shall be deemed as confirmation by the Client that the content of the Transaction Confirmation is consistent with the agreed Transaction Parameters. In disputable cases, the recording of the phone call or agreeing of the Transaction Parameters made in any other form referred to in Clause 3.14 shall be decisive. The result of the above will be a new Transaction Confirmation specifying the agreed Transaction Parameters. If the Client does not raise any objections to the new Transaction Confirmation within 1 Business Day of its receipt, it shall be deemed to be in compliance with the content of the agreed Transaction Parameters.

- 6.4 The content of the Transaction Confirmation must not change the agreed Transaction Parameters.

7. TRANSACTION SETTLEMENTS

- 7.1 Fulfilment of the monetary obligations arising from the concluded Transactions will take place through the Settlement Account.
- 7.2 Transactions shall be settled in the currency agreed between the Parties at the time the Transaction Parameters are agreed. Subject to the provisions of these Regulations, the conversion of the value of currencies for the purposes of the performance of the Transaction shall take place in accordance with the rules and at the exchange rates specified in the Regulations Concerning FX Spot Transactions.
- 7.3 On the due date under the concluded Transaction, the Bank shall credit or debit the Settlement Account maintained by the Bank with the due amount. The Client agrees to crediting or debiting of due amounts by the Bank. If the amount of the funds in the Settlement Account is insufficient to cover the abovementioned Client's liabilities towards the Bank in full then the amount of such unpaid liabilities shall be evidenced in the Bank's records and shown on a statement from the Client's Settlement Account.
- 7.4 The transfer of ownership of the Securities under the Transaction will take place by transferring the Securities either from the Securities Account or to the Securities Account.
- 7.5 In the event that the Securities Account is the securities account maintained by the Bank, on the date on which, in accordance with the agreed Transaction Parameters, ownership of the Securities should be transferred, the Bank shall transfer the Securities to the Securities Account or transfer the Securities from the Securities Account in accordance with the relevant provisions of the General Terms and Conditions of Providing Custody Services. The Client consents to the Bank carrying out the above operations.
- 7.6 In the event that the Securities Account is not the Client's Securities Account maintained by the Bank, on the date on which ownership of the Securities should have been transferred in accordance with the agreed Transaction Parameters, the Party obliged to transfer such Securities shall transfer them to the other Party's Securities Account. The date on which ownership of the Securities is transferred by a Party is deemed to be the date on which the Securities are credited to the Securities Account of the other Party.
- 7.7 On the Settlement Date, the Party acquiring the Securities is obliged to pay the Transaction Value to the other Party that is obliged to transfer the rights in the Traded Securities to the acquiring Party.

- 7.8 In the case of Debt Securities issued in the form of a document, the transfer of the rights attached to such Debt Securities requires the delivery of the Debt Securities to the transferee and, in addition: (i) in the case of Debt Securities constituting securities to order, the existence of an uninterrupted series of endorsements, (ii) in the case of Debt Securities being registered securities, the transfer of such rights. The transfer of the rights under the Debt Securities will be confirmed by the Bank with the relevant entries in the Client's Securities Account where such Account is maintained by the Bank.
- 7.9 If a Transaction to purchase Securities is entered into, the Client is required to have available funds in the Settlement Account maintained by the Bank on the Settlement Date from 1:00 p.m. in case of Debt Securities, and from 10:00 a.m. in case of Foreign Securities until the settlement of the Transaction to enable you to pay the Transaction Value.
- 7.10 If a Transaction for the sale of Securities is entered into, the Client must ensure that the Securities that are the subject of the Transaction are held in a Securities Account held with the Bank on the Settlement Date from 1:00 p.m. for Debt Securities and 10:00 a.m. for Foreign Securities.
- 7.11 In case when the Transaction is settled through the agency of the Clearing House, the Transaction is settled according to the rules and as provided for by the regulations of that House. In such a case the provisions of these Regulations shall apply accordingly.

8. SPECIAL RULES FOR THE HANDLING OF DEBT SECURITIES HOLDERS BY THE BANK

- 8.1 At the times indicated by the Issuer, the Bank shall transfer to the Client's Settlement Account the funds received from the Issuer for the purpose of repaying the Issuer's obligations to the Client under the Debt Securities.
- 8.2 If the due date for payment referred to in Clause 8.1 above falls on a day other than a Business Day, payment shall be made by the Bank on the next succeeding Business Day without charging additional interest, unless otherwise expressly provided in the Terms of Issue.
- 8.3 If the Issuer fails to remit to the Bank on either the Interest Payment Date or the Maturity Date, as the case may be, the entire Accrued Interest Amounts or the Redemption Amounts due, the Bank will distribute the funds remitted to it by the Issuer to the holders of the Debt Securities whose Securities Accounts the Bank maintains, in accordance with the Terms of Issue. In the absence of relevant provisions in the Terms of Issue, the Bank will distribute the funds received from the Issuer to the holders of Debt Securities pro rata to the number of Debt Securities credited to their Securities Accounts maintained by the Bank.
- 8.4 The Client shall instruct the Bank to credit payments received after the Interest Payment Date or the Maturity Date, as the case may be, in the following order to:
- default interest on the Accrued Interest Amounts, starting from the Accrued Interest Amounts earliest due;
 - default interest on the Redemption Amount;
 - Accrued Interest Amounts, starting from the Accrued Interest Amounts earliest due;
 - the due Redemption Amount.

- 8.5 Default interest shall be equal to the statutory interest unless otherwise agreed between the Client and the Issuer, including the Terms of Issue.
- 8.6 Should the Issuer fail to redeem the Debt Securities issued in dematerialised form, the Bank shall issue to the Client, upon request, a certificate of deposit together with a copy of the Terms of Issue and information on the amounts, if any, and dates of payments made by the Issuer in respect of Debt Securities held by the Client in the Securities Account maintained by the Bank.
- 8.7 From the date of issue of the certificate of deposit and during the period of its validity, the Debt Securities credited to the Securities Account maintained by the Bank will be blocked therein and may not be traded.
- 8.8 If the Issuer fails to redeem the Debt Securities issued in documentary form, the Bank, if it is the Depositary and provided that this is not contrary to the Terms of Issue, will, at the request of the Client, deliver to the Client the originals of the Debt Securities held by the Client together with a copy of the Terms of Issue and provide information on the amounts, if any, and dates of payments made by the Issuer in respect of Debt Securities held by the Client on the Securities Account maintained by the Bank.
- 8.9 When the originals of the Debt Securities issued in documentary form are released to the Client, the Bank shall derecognise them from the Client's Securities Account held with the Bank and shall cease to keep records of them from that time onwards.
- 8.10 Where the Transactions on the Securities concerned are cleared by a Clearing House, the holders of Debt Securities shall be served on the terms and in the manner specified in the regulations of that Clearing House. In such a case the provisions of these Regulations shall apply accordingly.

9. EVENTS OF DEFAULT

- 9.1 The Parties acknowledge that the occurrence of any of the following events will constitute an Event of Default:
- 9.1.1 failure to comply with obligations under these Regulations or concluded Transactions, in particular:
 - the Client's failure to make any payment under the Transaction when due or the purchase of Securities in the primary market by the due date;
 - the Client's failure to transfer ownership of the Securities by the date specified in the agreed Transaction Parameters (or the inability to transfer ownership due to the absence of the relevant Securities in the Securities Account).
 - 9.1.2 the occurrence of a factual or legal event that poses a risk of the Client going into bankruptcy or liquidation, in particular:
 - the Client has filed to the court a declaration on instituting of restructuring proceedings;
 - the Client is insolvent;
 - the Client has filed a bankruptcy petition or such a petition has been filed against the Client;
 - bankruptcy or similar proceedings have been instituted against the Client abroad;
 - the occurrence of circumstances, as defined in the Bankruptcy and Restructuring Law, justifying the filing of a bankruptcy petition against the Client;
 - the occurrence of circumstances, as set out in the legislation governing the Client's legal status, that justify the opening of the Client's liquidation process; or
 - the opening of the Client's liquidation process.

- 9.1.3. the occurrence of factual or legal events that increase the risk of the Client's defaulting on its obligations under the Transaction, in particular:
- a significant, permanent deterioration in the economic or financial situation of the Client;
 - attachment of the Client's accounts by the enforcement authority;
 - instituting enforcement or precautionary proceedings against the Client;
 - the commencement of one or more judicial, arbitration or administrative proceedings against the Client aimed at satisfying creditors' claims against the Client;
 - ceasing to pay debts, recognising in writing the inability to pay debts on time or entering into negotiations with one or more creditors with a view to changing the amount, legal basis or timing of payment of debts;
 - the non-performance or undue performance by the Client of its obligations under any contract to which the Client is a party;
 - the appointment of a receiver or other administrator over the Client's business;
 - obtaining information by the Bank from a business intelligence agency on the Client's default in performing any monetary obligations.
- 9.1.4. The Client, due to financial difficulties, has entered into negotiations with one or more creditors in order to write off payments, refinance or restructure its monetary obligations, in particular through a significant change in the terms and conditions of contracts that would affect the Client's cash flow structure or through the Client obtaining a loan or credit facility.
- 9.1.5. the Client has failed or improperly performed its monetary obligation in respect of any tax or other public law liability.
- 9.1.6. the Client's performance of any obligation under these Regulations or the Transaction has become illegal.
- 9.1.7. action has been taken to undermine the Bank's rights under the Transactions, or any Security provided, or such rights are contested in any other way, in particular through the Client's declarations of non-recognition of the Bank's claims or the Client's assertion of the invalidity of any Transaction by a competent authority.
- 9.1.8. the demerger, merger or transfer of all or a substantial part of its assets by the Client to an entity, if, as a result of such demerger, merger or transfer, the entity formed as a result of such demerger, merger or acquiring entity or the acquirer does not assume all of the Client's obligations under the Transaction or any Security granted.
- 9.1.9. the discontinuation of all or part of the Client's business or the threat of such an event.
- 9.1.10. issuance of an order by a court to dissolve the Client or adoption of a resolution (decision) by an authorized body of the Client to dissolve the Client or to transfer the enterprise abroad.
- 9.1.11. the emergence of circumstances that could, in the Bank's opinion, have a material adverse effect on the Client's business or situation (financial or otherwise), in particular on the Bank's ability to exercise its rights under the Transaction or any Security provided.
- 9.1.12. making false or misleading statements contained in these Regulations.
- 9.1.13. the failure of the Client to provide Security for the performance of its obligations under the Transaction as agreed between the Parties or the occurrence of a factual or legal event causing the partial or total invalidity, loss, reduction or deterioration of the legal conditions of the Security provided by the Client, including in particular:
- disclosure of legal defects in relation to the assets used as a Security;
 - seizure by the enforcement authority of assets used as a Security;
 - nullity of the Security;
 - the Client's failure to perform any obligation where such failure causes or is likely to cause the loss or diminution of the Security;
 - loss of validity or enforceability of the Security as a consequence of a merger or acquisition of the Client or the acquisition by another entity of the Client's underlying assets, including in particular its business or a material part thereof.
- 9.1.14. the absence of a Client's Settlement Account maintained by the Bank (except where the Bank has given its consent for the Client's Settlement Account not to be an account maintained by the Bank).
- 9.1.15. the absence of a Client's Securities Account maintained by the Bank (except where the Bank has given its consent for the Client's Securities Account not to be a securities account maintained by the Bank).
- 9.2. From the moment a Transaction is concluded until its full settlement under these Regulations, the Client is obliged to inform the Bank immediately of decisions and facts affecting the Client's legal and financial situation, in particular, of the occurrence of the events referred to in Clause 9.1.
- 9.3. In case of an Event of Default, the Bank may, at its discretion and choice, exercise the powers referred to in Clauses 9.5 to 9.14 subject to the fulfilment of the conditions provided for the exercise of such powers. Failure by the Bank to exercise one of the powers referred to above shall not affect the Bank's ability to exercise any other of those powers.
- 9.4. The Bank may waive the exercise of its rights referred to in Clause 9.3 if the Client establishes Security or additional Security in favour of the Bank, in the form and on the terms agreed with the Bank, in particular by establishing the blockage referred to in Clause 5.
- 9.5. Where the event referred to in Clause 9.1.1. a) above arises on the part of the Client, but the Client makes an overdue payment before the Bank has exercised the right referred to in Clause 9.6, such event shall not constitute an Event of Default and the Client shall pay to the Bank Late Payment Interest from the date on which the payment was to be made (including that date) until the date of payment (excluding that date).
- 9.6. Upon the occurrence of an Event of Default referred to in Clause 9.1.1. a) or 9.1.1. b) above, the Bank may, without sending the Notice of Default referred to in Clause 9.9 below, within 1 Business Day, from the date of the occurrence of such Event of Default, withdraw from the Transaction affected by such Event of Default or any part of such Transaction to the extent resulting from the proportion of the unpaid or undelivered Securities to the total amount of cash or number of Securities to be paid or delivered. Withdrawal from the whole or part of the Transaction shall be done by delivering to the Client, by

- e-mail or in another agreed manner, a notice of the exercise of the Bank's right to withdraw from the Transaction due to the occurrence of an Event of Default indicated in such notice, indicating whether the Bank is withdrawing from the Transaction in whole or in part (the "**Withdrawal Notice**"). A Transaction or part thereof from which the Bank has withdrawn shall be deemed not to have been concluded.
- 9.7 If an Event of Default referred to in Clause 9.1.1. a) above arises on the part of the Client within the period referred to in Clause 9.6 above and the Bank does not exercise the rights referred to in Clause 9.6, the Bank shall have the following right which can be exercised immediately, irrespective of sending any notices, but no later than within 2 Business Days of the date on which the Event of Default occurs:
- (i) to debit the Client's Settlement Account with an amount equivalent to the Transaction Value; and
 - (ii) to transfer ownership of the Securities that are the subject of such Transaction to the Client by transferring them to the Client's Securities Account.
- Insofar as the debiting referred to in sub-paragraph (i) above is not sufficient to satisfy the Bank's debt claim arising from the transfer of the Securities referred to in sub-paragraph (ii) above to the Client, such Securities shall be subject to a blockade in favour of the Bank. Such blocking shall serve as security for the repayment by the Client of the Bank's debt claims arising from the transfer of ownership of the Securities referred to in paragraph (ii) above to the Client.
- 9.8 If, in respect of a Transaction, the event referred to in Clause 9.1.1. a) arises on the part of the Client within the period referred to in Clause 9.6 above and the Bank does not exercise the rights referred to in Clause 9.6 and Clause 9.7, the Bank may refrain from transferring to the Client the Securities that are the subject of the Transaction and the Client authorises the Bank to sell the Securities and to credit the amount received from the sale of such Securities against the Bank's debt claim against the Client for payment of the Transaction Value. If the Bank exercises the above authority, the Bank shall apply due diligence to sell such Securities within 10 Business Days of the occurrence of the event referred to in Clause 9.1.1.a) above at the highest price available. In the event that the price obtained by the Bank as a result of the sale of the Securities is lower than the Bank's debt claim against the Client for payment of the Transaction Value, the Client authorises the Bank to debit the Client's Settlement Account with an amount equivalent to such difference.
- 9.9 Upon the occurrence of any Event of Default on the part of the Client, the Bank may, during the pendency of such Event of Default, serve on the Client a notice of default specifying the type of Event of Default which has occurred and the date on which it occurred ("**Notice of Default**").
- 9.10 From the date on which the Notice of Default is served on the Client, if the Event of Default identified in the Notice continues, the Bank shall be entitled to take the following actions in relation to the Client:
- a) to refrain from fulfilling in respect of the Client any monetary obligations arising from the Transactions concluded;
 - b) to refrain from transferring to the Client the Securities that are the subject of the Transaction.
- 9.11 Upon the Bank's request, the Client shall pay all documented costs incurred by the Bank in connection with the Transactions entered into, resulting from the occurrence of an Event of Default.
- 9.12 The consideration relating to the reimbursement of the documented costs referred to in Clause 9.11 above, shall be paid by the Client to the Bank within 3 Business Days from the date of receipt by the Client of a written request for payment together with documents confirming the costs incurred by the Bank referred to in Clause 9.11 above.
- 9.13 In the event that the Client is required to pay the costs referred to in Clause 9.11 above, the Bank shall debit the Client's Settlement Account, as indicated by the Client, with the amount of such costs.
- 9.14 The provisions of Clause 9 shall not limit the Parties' rights to claim damages under the provisions of the Civil Code.
- ## 10 FORCE MAJEURE
- 10.1 The Parties agree that, for the purposes of these Regulations, the following events causing the consequent impossibility of performance (Articles 475 and 495 of the Civil Code) shall be deemed Force Majeure by the Parties:
- a) an extraordinary, external event that the Parties could not have foreseen, avoided or prevented, making it impossible for both Parties or either Party to carry out any Transaction entered into under the Regulations for a period of at least 3 calendar days,
 - b) an external event, consisting of an amendment of the law or a change in a binding interpretation thereof, causing the Transaction concluded on the basis of the Regulations to become invalid by virtue of law, or the execution of the Transaction would cause the Party to be in breach of the applicable law.
- 10.2 For the avoidance of doubt, the date of the Force Majeure Event shall be deemed to be the date of the occurrence of the event with the proviso, however, that if, respectively, the effects of the event indicated in Clause 10.1. a) or the effects of the event constituting an Event of Default cease to exist before the expiry of three calendar days, such event shall not be treated as a Force Majeure Event or an Event of Default, respectively. A Party that is late in making a payment to the other Party as a result of such event shall additionally be liable to pay interest for each day of delay in an amount equal to the Funding Costs.
- 10.3 From the time of the conclusion of a Transaction until its full settlement under these Regulations, the Affected Party shall immediately inform the other Party in writing of the fact that a Force Majeure event has occurred, indicating its nature and the Affected Transactions. The Affected Party is obliged to document the fact that a Force Majeure event has occurred, unless it is generally known.
- 10.4 The failure of the Affected Party to perform its obligation under an Affected Transaction due to the occurrence of a Force Majeure event shall not be treated as an Event of Default, except that the other Party shall be entitled to refrain from performing its mutual obligation under such Affected Transaction.
- 10.5 A Party that, following the occurrence of a Force Majeure event, fulfils an obligation under an Affected Transaction for the benefit of an Affected Party shall be entitled to claim reimbursement of that obligation and the Funding Costs of the amount of the obligation from the date on which the obligation was fulfilled (that date included) until the date of reimbursement (that date excluded).

10.6 In the event of a Force Majeure event, the Parties shall enter into negotiations to agree new terms and conditions of the Affected Transactions so that they are no longer Affected Transactions or to enter into new Transactions to replace the Affected Transactions. If, within 7 Business Days from the date of the Force Majeure Event, the Parties do not agree new terms for the Affected Transactions or do not enter into new Transactions to replace the Affected Transactions, the Affected Transactions shall lapse with effect from the date of the Force Majeure Event and shall be settled in accordance with the principles set out in Clause 11.23.

11. EARLY TRANSACTION SETTLEMENT

- 11.1 The provisions of this Clause 11 shall only apply to Transactions:
- a) the object of which is the purchase or sale of Securities and whose Settlement Date is later than 2 Business Days after the Transaction Date, if the Bank agrees to carry out such Transaction, and
 - b) only if the Event of Default or Force Majeure event occurs before the Settlement Date.
- 11.2 To the extent that these Regulations apply to the Transactions referred to in Clause 11.1, Article 85 of the Bankruptcy and Reorganisation Law shall apply.
- 11.3 The provisions of this Clause 11 shall not preclude you from electing the powers set out in Clause 9 of these Regulations.
- 11.4 For the purposes of Clause 11, the following terms should be understood as follows:
- 11.4.1. **Calculation Agent** - Bank;
 - 11.4.2. **Early Transaction Settlement Date** - the date on which an Early Transaction Settlement occurs;
 - 11.4.3. **Amount Due** - the amount that either Party is obliged to pay if the Affected Transactions expire or are terminated as a result of a Force Majeure event;
 - 11.4.4. **Early Transaction Settlement Amount** - the amount that one Party is obliged to pay to the other Party in the event of early settlement of a Transaction pursuant to Clause 11.5.
 - 11.4.5. **Present Value of Liabilities** - in relation to each Party, the aggregate value of the matured and non-matured liabilities under the Transaction as at the Early Transaction Termination Date;
 - 11.4.6. **Early Transaction Settlement** - the settlement of all Transactions entered into under the Regulations;
 - 11.4.7. **Notice of Early Transaction Settlement** - a notice of early settlement of Transactions as defined in Clause 11.6.

Early Transaction Settlement

- 11.5 In circumstances where, after the expiry of two Business Days from the date of service of a Notice of Default under Clause 9.9, the Event of Default identified in such notice continues, the Non-Defaulting Party shall be entitled to:
- (a) early Settlement of Transactions entered into under these Regulations. The Early Transaction Settlement Date shall be the date of delivery of the Notice of Early Transaction Settlement to the Defaulting Party; and
 - (b) demand from the Defaulting Party the Early Transaction Settlement Amount calculated in accordance with the principles set out in Clauses 11.13 to 11.22.

- 11.6 In order to exercise the right referred to in Clause 11.5, the Non-Defaulting Party shall, no later than 30 Business Days after the expiry of the time limit referred to in Clause 11.5, serve on the Defaulting Party a notice of exercise of such right in relation to the occurrence of an Event of Default as indicated in the Notice of Default ("Notice of Early Transaction Settlement").
- 11.7 In the event of an Early Transaction Settlement caused by the occurrence of an Event of Default, the obligations of the Parties under the individual Transactions shall, as of the Early Transaction Settlement Date be replaced by an obligation to determine and pay the Early Transaction Settlement Amount referred to in Clause 11.8 and shall be cancelled at that time.
- 11.8 In case of Early Transaction Settlement caused by an Event of Default, the Parties shall settle among themselves in such a manner that the Present Value of Liabilities expressed in PLN of the Defaulting Party shall be reduced by the Present Value of Liabilities expressed in PLN of the Non-Defaulting Party. The absolute value of the difference resulting from that calculation shall constitute the Early Transaction Settlement Amount and shall be paid by the Party whose Present Value of Liabilities expressed in PLN was higher.
- 11.9 If the Present Values of the Parties' Liabilities are expressed in currencies other than PLN, they shall be converted into PLN for the purposes of the calculation referred to in Clause 11.8 at the exchange rate indicated in the most recent table for non-cash settlements published on the Early Transaction Termination Date, in accordance with the Regulations Concerning FX Spot Transactions.
- 11.10 The Early Transaction Settlement Amount shall be transferred by the Party obliged to pay it within 1 Business Day from the date of delivery by the Calculation Agent of the result of the calculation, in accordance with Clause 11.13. In addition, the Defaulting Party obliged to pay the Early Transaction Settlement Amount shall be obliged to pay Late Payment Interest, for the period from the Early Transaction Settlement Date (that date included) until the date of payment of the obligation (that date excluded).
- 11.11 In the event that the Client is the Party obliged to pay the Early Transaction Settlement Amount, the Bank shall, no earlier than on the second Business Day after the day on which the Calculation Agent delivers the result of the calculation pursuant to Clause 11.13, debit the Client's Settlement Account with the Early Transaction Settlement Amount.

Mode of calculation of the Early Transaction Settlement Amount

- 11.12 All activities related to the calculation of the Early Transaction Settlement Amount are performed by the Calculation Agent.
- 11.13 The Calculation Agent shall be obliged to deliver the result of the calculation referred to in Clause 11.12 to the Parties no later than 2 Business Days after the Early Transaction Settlement Date.
- 11.14 Not later than 4:00 p.m. on the Business Day following the date of delivery of the result of the calculation referred to in Clause 11.12, pursuant to Clause 11.13, upon the written request of either Party made by 10:00 a.m. on that Business Day, the Calculation Agent shall deliver to the Parties (i) the itemised sub-amounts comprising the Early Transaction Settlement Amount relating to each Transaction; and (ii) the data used by it

- to calculate the Settlement Amount, as documented by printouts from information or transaction systems.
- 11.15 The submission of a request by a Party pursuant to Clause 11.14 above shall not affect the Party's obligation to pay the Early Transaction Settlement Amount pursuant to Clause 11.10.
- 11.16 The Party to whom the information referred to in Clause 11.14 has been delivered shall have the right, no later than 4:00 p.m. on the Business Day following the day on which it was delivered by the Calculation Agent, to submit objections to the Calculation Agent regarding the calculation of the Early Transaction Settlement Amount.
- 11.17 The submission of an objection by a Party pursuant to Clause 11.16 above shall not affect the Party's obligation to pay the Early Transaction Settlement Amount pursuant to Clause 11.10.
- 11.18 The Calculation Agent is obliged to respond in writing to objections received from a Party no later than on the next Business Day following the day of receipt by 4:00 p.m.
- 11.19 If the Calculation Agent takes on board the objections of a Party, the Calculation Agent shall send to the Party a new calculation of the Early Transaction Settlement Amount together with the letter referred to in Clause 11.18.
- 11.20 In the event that the Calculation Agent does not take on board the objections of a Party, the calculation referred to in Clause 11.12 shall be binding.
- 11.21 If the Calculation Agent takes on board a Party's objections, the Party that has obtained from the other Party an amount greater than the amount due in accordance with Clause 11.19 shall, within 7 Business Days, refund the difference between the amount obtained and the amount due, to the other Party.

Settlement due to Force Majeure

- 11.22 The Parties shall settle between themselves the Amount Due in respect of the Affected Transactions which have expired or have been terminated, assuming for the determination of the Amount Due the value of the liabilities as at the 14th day from the date of the Force Majeure event as if such liabilities had not expired, whereby the obligation to pay the Amount Due so determined shall be unconditional and independent of any circumstances pertaining to the Parties other than those specified in the Regulations, including the existence or non-existence of any fault of the Party obliged to pay such Amount Due.
- 11.23 In determining the Amount Due, Clauses 11.8 and 11.10 to 11.21 shall apply mutatis mutandis, with the reference to the Early Transaction Settlement Date being a reference to the Amount Due, the reference to the Defaulting Party and the Non-Defaulting Party being a reference to the Affected Party and the Non-Affected Party respectively and the reference to the Early Transaction Settlement Date being a reference to the day 14 days after the date of the Force Majeure Event.

12. REPRESENTATIONS AND WARRANTIES

- 12.1 The Client represents and warrants to the Bank that as at the date of the Transaction:
- 12.1.1. all consents of the Client's authorities required by law [and the Client's Memorandum and Articles of Association / Articles of Association] have been given in connection with the conclusion of the

- Transaction and the performance of the Client's obligations thereunder;
- 12.1.2. no consent or authorisation from any state authority or other third party is required for the conclusion, legality, and performance of the Transaction by the Client, other than those that have been duly obtained and remain in force;
- 12.1.3. the Transactions entered into shall constitute valid and binding obligations of the Client, enforceable against the Client in accordance with their respective provisions, and shall constitute direct and unconditional (except that in respect of Contingent Transactions, upon the satisfaction of all conditions of the Contingent Transaction) obligations of the Client, which shall be treated no less favourably than any other present and future unsecured obligations of the Client, except for those whose claims are privileged under mandatory provisions of law;
- 12.1.4. the conclusion and execution of the Transaction is not contrary to (a) the provisions of its constitutional documents and the agreements to which it is a party or to which it is subject and (b) the provisions of law, administrative decisions, rulings of courts or other governmental authorities that affect the Customer or any part of its assets;
- 12.1.5. (a) the Client has not filed a declaration of commencement of resolution programme; (b) the Client is not insolvent; (c) the Client has not filed a bankruptcy petition or such a petition has not been filed against the Client; (d) no proceedings for recognition of foreign insolvency proceedings have been initiated against the Client; (e) the Client is not entered in the register of insolvent debtors within the meaning of Article 55 of the Act of 20 August 1997 on the National Court Register;
- 12.1.6. The Client, due to financial difficulties, has not entered into negotiations with one or more creditors in order to write off payments, refinance or restructure its monetary obligations, in particular through a significant change in the terms and conditions of contracts that would affect the Client's cash flow structure or through the Client obtaining a loan or credit facility;
- 12.1.7. The client is neither in arrears with the payment of any obligations nor have any claims been made against the client for the payment of obligations, arising from concluded credit or loan agreements, debt instrument issuance agreements or other financial instruments, which cause or could cause a material financial burden on the Client;
- 12.1.8. that it is not in arrears with the payment of any taxes, social security charges or any other charges of a similar nature and that it is not aware of any claim for payment of such charges;
- 12.1.9. there are no legal, administrative or other proceedings pending which could affect the proper implementation of the provisions of the Transaction, nor, to the best of the Client's knowledge, are there any grounds which could give rise to such proceedings;
- 12.1.10. no event constituting an Event of Default has occurred, nor has an event occurred which, with the passage of time or the fulfilment of any condition, could constitute an Event of Default;
- 12.1.11. any and all information provided to the Bank by the Client in connection with the Transactions, and all documents provided to the Bank in connection with the Transactions, are true, complete and correctly

- reflect the legal or financial situation of the Client, and the Client is not aware of any other material circumstances that have not been disclosed to the Bank, the disclosure of which could have an adverse effect on the Bank's decision to enter into a Transaction with the Client;
- 12.1.12. upon the transfer of the Securities to the Bank, the Client shall have full and unrestricted authority to effect such transfer and, upon such transfer, the Bank shall receive all rights, title and entitlements relating to such Securities, free and clear of all encumbrances, claims and rights of third parties.
- 12.2 The Client represents and warrants to the Bank that by entering into any Transaction:
- 12.2.1. has read and accepted these Regulations and is aware of the risks involved in concluding Transactions,
- 12.2.2. acts on its own account and makes its own independent decisions as to the entry into and execution of the Transaction and as to whether the Transaction entered into is suitable for it, based on its own understanding and analysis and the advice of its advisers as it sees fit,
- 12.2.3. acknowledges that the Bank does not provide advice in relation to the Transactions, nor does it provide any investment advice or recommendation to enter into a Transaction; any information or explanation provided by the Bank regarding the terms of a Transaction does not constitute investment advice or a recommendation to enter into a Transaction,
- 12.2.4. before concluding a Transaction, will consider, without relying on the information provided by the Bank, all the risks associated with it, in particular market, legal, tax and accounting risks, as well as potential losses that may arise from the Transactions concluded;
- 12.2.5. acknowledges that the Bank shall not be liable for the Client's losses caused by changes in market factors, in particular those related to changes in exchange rates, interest rates, and prices of Securities. Such changes, in the opinion of the Parties, do not constitute Force Majeure or an extraordinary change in relations or events causing the consequent impossibility of performing obligations under the Transaction and the Parties are fully aware of the impact of such changes on their obligations,
- 12.2.6. has not received any guarantee or assurance from the Bank as to the expected results of the Transaction,
- 12.2.7. reviewed the Terms of issue and the economic and financial situation of the issuer of the Securities.
- 12.3 The Client declares that it is aware of the risks arising from the conclusion of the Transaction, in particular:
- a. counterparty risk consisting in the threat that one of the Parties to the Transaction shall fail to perform its obligations under the Transaction;
- b. issuer credit risk, consisting in the threat that the issuer may fail to meet its obligations under the Securities issued, and therefore the possibility of losing some or all of the money invested by the Client. In particular, it should be noted that:
- The Bank shall not be liable to the Clients for the timeliness and manner in which the issuer performs the monetary benefits of the Securities.
 - The Bank, handling the issue of Debt Securities and the holders of Securities, is not required to monitor the Issuer's ability to service the benefits of Debt Securities or Foreign Securities.
- The Issuer is solely responsible to the Clients for the effectiveness and correctness of the performance security established for the benefit of the Security holders. The Bank is not responsible for the monitoring of the value of the security established by the Issuer and their use to satisfy the matured claims of the Security holders, unless the Terms of Issue expressly provide otherwise.
 - At no time does the Bank, in undertaking to deal with the issue of Debt Securities or the holders of the Securities, make any representation, actual or implied, as to the adequacy or completeness of the information disclosed to Clients by the Issuer in connection with the issue of the Securities.
- c. accounting risk associated with inadequate record-keeping by the Client (or, for example, the lack of an appropriate standard), which may result in an overstatement or understatement of the actual results and size of the executed Transaction.
- d. operational risk consisting in the possibility that a failure of internal system, human error or mistakes in administration having a direct or indirect impact on the date, amount or manner of settling the executed Transaction will occur,
- e. regulatory risk arising from possible regulatory changes adversely affecting entities involved in or related to the Transaction, in the form of changes in legislation, as well as sanctions and restrictions by regulatory and supervisory authorities, including tax legislation.
- f. market risk resulting from either adverse changes in the prices of the underlying instrument or the absence of market liquidity. The value of respective Transaction Parameters is defined as at the conclusion of the Transaction (on the Transaction Date); during the term thereof the parameters of market environment may change.
- 12.4 The Client agrees that the representations and warranties in Clauses 12.1 to 12.3 above shall be deemed to be repeated by the Client on the date of each Transaction.
- 12.5 The Client agrees to do the following from the date the Transaction is entered into under these Regulations until it is fully settled:
- 12.5.1. obtain and promptly deliver to the Bank upon request certified true copies of any corporate consents, consents or approvals of administrative authorities or consents of third parties as may be required to ensure the legality and validity of the Transactions and the securities and for the Bank to exercise its powers and shall comply with their provisions;
- 12.5.2. at the request of ING Bank, the Client will provide the Bank with such information about the business and financial standing of the Client and such other information as the Bank may reasonably require and shall, at the Bank's request, make available to the Bank for inspection at a time specified by the Bank with due notice any of its accounting records for the purpose of inspecting the Client's situation;
- 12.5.3. promptly, but no later than 5 Business Days after receipt of such request from the Bank, shall inform the Bank, to the extent specified by the Bank, of the conclusion of agreements with another bank or investment firm relating to transactions involving forward financial transactions or the sale of

- securities with an obligation to repurchase them or the conclusion of such transactions;
- 12.6 In servicing an issue, the Bank acts only within the scope specified by the Issuer. Accordingly, the Bank shall not be liable for the obligations under the Debt Securities towards the Clients, nor shall it represent them towards the Issuer, unless the provisions of the relevant Terms of Issue expressly provide otherwise.
- 12.7 By entering into the Transaction, the Client acknowledges that the Bank may make available credit and other financial instruments to the Debt Securities Issuer, and accepts that the funds raised by the Issuer from the issue of Debt Securities may also be used by the Issuer, provided that this is in accordance with the Terms of the Issue, to repay the Issuer's obligations to the Bank, and acknowledges that the Bank is not entitled to, and will not, provide Clients with any information relating to the Issuer's financial position other than the information provided by the Issuer to the Bank for disclosure to Clients.
- 12.8 The Client: (i) agrees that the Bank may communicate and disclose any information concerning the Client and the Transactions entered into between the Bank and the Client, as well as any matters related thereto, to its Affiliates;¹ in the case of the Bank, the Affiliates are identified on the website: <http://www.ingbank.pl/dokumenty-rf/lista-spolek-zaleznych>, provided that such communication and disclosure is for risk management, relationship management or administrative purposes; and (ii) irrevocably waives, to the extent possible, its rights that would prevent such disclosure of information concerning the Client or any transaction entered into with the Bank.

14. COMPLAINTS

- 14.1 Client complaints relating to the Regulations or Transactions, to the extent other than those indicated in Clauses 6.3 and 11.14-11.21 above, will be dealt with in accordance with the Bank's general client complaints procedure.
- 14.2 Complaints as referred to in Clause 14.1 above may be made verbally or in writing, by mail, phone, Internet and online banking systems offered by the Bank, to the following contact details of the Bank:

Telephone: 0800 163 012 - Toll free phone
(032) 357 00 62

Internet, via www.ing.pl - contact - submit a complaint

P.O.: ING Bank Śląski S.A.
Headquarters
ul. Sokolska 34
Skr. Pocz. 137
40-086 Katowice

¹ Affiliate means, in relation to any person, any entity controlled, directly or indirectly, by that person, any entity controlling, directly or indirectly, that person or any entity directly or indirectly under common control with that person. Whereby "control" means (i) the direct or indirect ownership of more than 50% of the shares, voting rights or similar ownership rights of a person or (ii) the contractual right, exercisable by voting rights or otherwise, to directly or indirectly appoint or revoke a majority of the members of the management board or supervisory board or to issue instructions concerning the policies of a person which are binding on the members of the management board or supervisory board of such a person.

- 14.3 The Bank will inform the Client of the outcome of the complaint referred to in Clause 14.1 above within 30 days of receipt of the complaint by phone and in writing, electronically, or in any other form agreed with the Client.

In particularly complex cases, which do not allow the complaint to be considered and information to be provided within 30 days of receipt of the complaint, the period may be extended, but in no case may it exceed 60 days of receipt of the complaint.

15. AMENDMENTS TO THE REGULATIONS

- 15.1 The Bank reserves the right to amend these Regulations.
- 15.2 The Bank shall inform the Client of any amendments to the Regulations and shall make the amended Regulations available for the Client, especially by posting them on the Bank website: www.ing.pl
- 15.3 If, as a result of a change in the law or a change in other circumstances, the need arises to amend the contents of the Information, the Bank will inform the Client of the amendments to the Information and make the Information with the amendments available to the Client, in particular by posting it on the Bank's website www.ing.pl.
- 15.4 Should the Client not submit a written statement stating that it does not accept the amendments specified in Clauses 15.2 and 15.3 within 14 days after it was informed about the said amendments, the amended Regulations shall be deemed as approved and binding for the Client as of the 15th day after the Client was informed about the amendments introduced in line with Clause 15.2.
- 15.5 If the Client does not accept amendments to the Regulations, the Bank will be allowed to refuse further conclusion of Transaction with the Client.

16. FINAL PROVISIONS

- 16.1 The Client and the Bank agree to disclose all information relating to the Transactions concluded to the parent entities, within the meaning of the Act on Public Offering, of the Bank and the Client respectively.
- 16.2 The Bank has the right to offset the amounts due to the Client resulting from the Transaction, against the amounts due or undue to the Bank from the Client, including in particular amounts due under bank account agreements between the Bank and the Client, and also within the scope in which such assets are subject to a blockade pursuant to Clauses 5.2 and 5.3. The offset should be done by means of Bank's declaration provided to the Client.
- 16.3 The Bank is authorised to provide access to the data collected in the Interbank Economic Information Bank Register to the business intelligence agencies operating under the Act of 14 February 2003 on Provision of Commercial Information (Journal of Laws No. 50, item 424, as amended) to the extent and under the conditions specified in the said Act. The Bank is entitled to transfer the data referred to above when all the following conditions are met:
- a. a Default has occurred;
 - b. the total amount owed to the Bank is at least PLN 500;
 - c. receivables have been due and payable for at least 60 days;
 - d. at least a month has passed since the date on which the Bank sent, by registered mail, to the mailing address specified by the Client, and if not specified - to the address of the Client's registered office, the call for payment, including the Bank's admonition of the

- intention to convey the data, including the company name and the head office address, where the Bank will convey the data.
- 16.4 The Bank is authorised to provide the institutions referred to in Article 105(4) of the Banking Law Act of 29 August 1997 (Journal of Laws of 2002, No. 72, item 665, as amended) with information constituting banking secrecy to the extent indicated in the aforementioned provision.
- 16.5 From time to time, the Bank may provide the Client with investment advice of a general nature on investing in financial instruments, either by telephone, electronically, in writing or in person.
- 16.6 These Regulations and the Transactions entered into hereunder shall be governed by and construed in accordance with the laws of the Republic of Poland.
- 16.7 Disputes arising in connection with the implementation of the provisions of these Regulations shall be resolved by the Court of Arbitration at the Polish Bank Association. The Court shall resolve the dispute pursuant to its regulations, in the panel of three arbiters.
- 16.8 The Bank charges fees in accordance with the Custody Services Agreement for keeping records of the Securities in the Client's Securities Account and for settlement operations relating to the Securities.
- 16.9 The benchmark interest rates on the basis of which the monetary obligations of the Parties are determined are indicated on the website of the National Bank of Poland: www.nbp.pl. All letters relating to the enforcement of these Regulations shall be delivered to the addresses given in accordance with Clauses 2.5 to 2.8 above.
- 16.10 Service will be deemed to be effective:
- a. if delivered in person, on the day of delivery or attempted delivery,
 - b. in the case of sending by registered post, on the day the letter is delivered or attempted to be delivered,
- 16.11 Deliveries received on a day other than a Business Day or after 5:00 p.m. shall be deemed to have been received on the next Business Day, unless the Bank confirms to the Client that the delivery was received on the day it was received.
- 16.12 Information materials on the issue and current and periodic information provided by the Issuer in connection with the issue of Debt Securities are available at the Bank's offices located at Pl. Trzech Krzyży 10/14 in Warsaw or at any other office located at any other address designated by the Bank.
- 16.13 The Client's tax status will be determined on the basis of documents held by the Bank. If the Client fails to provide documents up to date as at the date on which the tax liability arises, then the Bank shall not be liable for the erroneous determination of the Client's status and the resulting consequences.
- 16.14 The Client is obliged to immediately provide the Bank with information on changes in data which affect the possibility of treating the Client as a professional client within the meaning of the Act of 29 July 2005 on Trading in Financial Instruments.
- 16.15 In matters not covered by these Regulations, the relevant provisions of the Bank's Regulations and applicable laws shall apply.

