



The Regulations on foreign currency and derivative transactions

§ 1. Preliminary Provisions

1. Scope of Regulations

These Regulations on foreign currency and derivative transactions ("the Regulations") determine the rules and procedures for the Bank and the Customer with respect to conclusion of currency and derivative transactions, establishment of collateral for them and their execution. The Regulations constitute the "General Conditions" and "Transaction Descriptions" for each type of Transactions - within the meaning of the "Master Agreement on financial market transactions".

2. Definitions

Terms and expressions used in these Regulations shall be construed as follows:

Calculation Agent

an entity that is a bank or a lending institution pursuant to the Banking Law Act, active on the market of forward or derivative transactions of a relevant type, which shall calculate the Net Settlement Amount as stipulated by the Regulations. Should the Bank have the right to designate the Calculation Agent, the Bank appoints BNP Paribas S.A., based in Paris, or the Bank.

Bank

Bank BGZ BNP Paribas Spółka Akcyjna.

MI FID Directive

Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on financial instruments markets, and amending Directive 2002/92/EC and Directive 2011/61/EU.

Business Day

each day from Monday through Friday, except for public holidays or days, when any institution or financial market, required to settle the Transactions or determine parameters indispensable to settle the Transactions, does not operate. The Parties may indicate for individual Transactions locations appropriate for determination whether a given day is a Business Day or not ("Business Day Locations").

Settlement Date

a day as agreed in a relevant Transaction for making the mutual settlement between the Parties under the Transaction. Detailed definitions of the Settlement Date for particular Transaction types are specified in the Transaction Descriptions.

Early Termination Date

Business Day on which the following are terminated:

- 1) the Master Agreement and all the Transactions entered into thereunder, as a result of an Event of Default occurrence, or
- 2) one or several Transactions affected by the Event of Default that occurred, however without terminating the Master Agreement, or
- 3) the Transactions affected by the Termination Event, or
- 4) Transactions agreed upon by way of a separate arrangement between the Parties.

Valuation Date

each Business Day in the course of the Master Agreement, during which the Bank calculates the sum of valuations for all Transactions.

Transaction Conclusion Date

a Business Day on which a Transaction was concluded by the Parties.

Exposure

a negative sum of pricing of all the Customer's Transactions. The amount of Exposure may differ from the Net Settlement Amount that the Customer would be required to pay if the Early Termination Date in respect of these Transactions falls on the Pricing Date.

Derivative Instrument

shall mean an option, futures contract, swap, FX forward agreement and other property right

whose price depends directly or indirectly on the price or value of a financial instrument, foreign currency, interest rates, yield, financial indices, financial ratios, commodities, climate changes, freight rates, greenhouse gas emissions levels, inflation ratios or other official statistical data, and also other assets, rights, commitments, indices or ratios (underlying instruments).

Customer

a natural person pursuing business activity or legal person who has concluded the Master Agreement with the Bank or who performs preparatory activities determined in these Regulations aimed at concluding the Master Agreement with the Bank.

FC Customer

a Customer which is a 'financial counterparty' under EMIR Regulations.

NFC Customer

a Customer which is not a "financial counterparty" under EMIR Regulations.

NFC+ Customer

a NFC Customer which (together with entities of the Group it belongs to), has exceeded the threshold amount defined in the EMIR Regulations, and as a result is obliged to clear Derivative Transactions centrally.

Threshold Amount

shall mean the value of liabilities of either the Bank or the Customer, which have not been performed or have been performed improperly, or which are subject to enforcement (as defined in detail in § 19). The Threshold Amount is equal, in relation to:

- 1) the Bank - to the Bank's own funds,
- 2) the Customer or Affiliated Entity - to the amount specified in the Master Agreement, and in the case such amount is not specified in the Master Agreement - to the amount of PLN 10,000.00.

Net Settlement Amount

the amount payable by the Party in favour of the other Party as a result of the determination of an Early Termination Date, calculated as at that day.

Free Amount

a PLN amount which, when exceeded by the Exposure, will result in the Customer's obligation to establish Variable Collateral, determined in:

- 1) the Agreement on Collateral, or
- 2) the "Master agreement on financial market transactions" - as the amount of the Transaction Limit (pre-settlement).

LEI (Legal Entity Identifier)

a 20-character alpha-numeric code that uniquely identifies entities concluding Derivative Transactions on global financial markets. LEI is assigned to market participants worldwide through a network of Local Operating Units (LOU), integrated within the global system, and enables the assessment of the credit risk generated by institutional financial and non-financial entities. The Bank's LEI is: NMH2KF074RKAGTH4CM63.

Transaction Limit

the amount set unilaterally by the Bank at the Customer's request, based on estimated risk weights that the Bank shall use to determine the maximum amount of receivables due from the Customer to the Bank under Transaction(s).

List of the Bank's telephone numbers

a document which includes a set of telephone numbers to persons authorised by the Bank to enter into Transactions and provide information on their execution.

Minimum Transfer Amount

a PLN amount specified in:

- 1) the Agreement on Collateral, or
- 2) as 5% of a Transaction Limit (while, in the case of cancelled or expired Transaction Limit - the Minimum Transfer Amount is determined based on the Transaction Limit applicable prior to its cancellation or expiry) - for customers who have concluded with the Bank the "Master agreement on financial market transactions".

When the difference between the Exposure and the aggregate of the Free Amount and the Received Collateral reaches the value equal to the Minimum Transfer Amount, the Bank has the right to demand that the Customer should establish the Required Collateral.

Transaction Description

a document which is an Attachment to the Regulations and forms its integral part; it includes definitions and descriptions of the currency and derivative transactions which may be concluded under the Master Agreement.

PLN

the Polish zloty, legal tender in Poland.

Affiliated Entity

an entity that:

- 1) indirectly or directly controls or is controlled by the Customer, or remains under joint control with the Customer (for the purposes of this definition, "control" shall mean direct or indirect holding of the majority of shares or stocks, or the ability to manage the entity based on an agreement or pursuant to another legal title, or the ability to appoint members of the entity's governing bodies); or
- 2) that established or is under obligation to establish collateral in favour of the Bank securing due execution of the Transaction by the Customer; or
- 3) that has been agreed as such in a given Transaction - in relation to the Customer.

Confirmation

a document prepared by the Bank, in a durable medium form) defining the Transaction Terms, conditions for the Transaction Terms amendment and earlier termination of a Transaction, agreed upon by the Bank and the Customer.

Banking Law

the Banking Law Act dated 29 August 1997 (Journal of Laws of 2017, item 1876, as amended).

Customer Profiling

assessment of appropriateness of financial instruments and investment services, performed by the Bank based on the information, provided by the Customer, on the Customer's knowledge about financial instruments and investment services, likewise, his/her investment experience - to determine whether the financial instruments or investment services provided by the Bank under the Master Agreement are appropriate for the Customer, taking into account his/her individual situation.

Bank Settlement Account

shall mean the Bank's account indicated by the Bank in the Confirmation or in a separate notification sent to the Customer.

Customer Settlement Account

Customer's bank account held with the Bank indicated by the Customer in the Customer Information Attachment, or in other document, or agreed upon by the Parties under the Transaction Terms Arrangement.

Bank Collateral

Account	the Bank's collateral account in which the collateral will be deposited by the Customer, indicated in: 1) the Agreement on Collateral, or 2) in other agreement under which such Collateral shall be established, or 3) in a notification/call for establishing the Collateral, addressed to the Customer by the Bank.	whose payment date specified in the Transaction Terms falls after the Early Termination Date, which value is determined by the Calculation Agent on the basis of quotations available to the Calculation Agent on the Early Termination Date with respect to specific Transaction types covered by the Early Termination Date, and 2) the value of due liabilities of a given Party on account of a Transaction not realised until the Early Termination Date, plus default interest calculated for the period from a maturity date of each such liability until the Early Termination Date.	11) "General Conditions" and "Transaction Descriptions" - it shall mean these Regulations (along with the Transaction Descriptions), 12) "Events of Default under the Agreement" - shall mean Events of Default and Termination Events , 13) "Transaction Pre-settlement" - shall mean termination of a Transaction prior to the originally agreed receivables maturity through determination of the Early Termination Date, 14) "Account" - shall mean the Customer Settlement Account , 15) "Ordinance no. 648/2012" - shall mean the EMIR Regulations , 16) "Transactions" - shall mean the Transaction(s) , referred to, respectively, in these Regulations.
Customer Collateral Account	the Customer's bank account held with the Bank, maintained in PLN and indicated in: 1) the Agreement on Collateral, or 2) in other agreement under which the Collateral shall be established, or 3) in the Master agreement on financial market transactions, as the Account.	The liabilities subject to valuation expressed in a currency other than PLN shall be converted into PLN at the currency exchange rate as per the table of exchange rates applied by the Bank at the time of such a conversion on the Early Termination Date.	In the Master Agreement, Agreement on Collateral, Confirmations and other documents concerning Transactions, foreign currencies are described using letter codes determined in the announcement of the President of the National Bank of Poland of 23 February 2011 (Monitor Polski [Official Gazette] of 20 February 2014, item 154), or any announcement or other relevant legal act that will supersede it.
EMIR Regulations	Regulation (EU) no. 648/2012 of the European Parliament and of the Council of 4 July 2012 along with implementing regulations, binding in the currently applicable wording.	Transaction Terms conditions agreed upon by the Parties, under which the Transaction has been concluded, amended or terminated.	§ 2. Documents which regulate legal relationship between the Parties 1. Documentation The following documents govern the legal relationship between the Parties: 1) Master Agreement, 2) Agreement on Collateral or any other agreement under which the Collateral is established - if it has been concluded, 3) Regulations along with the Transactions Descriptions, 4) Confirmations. 2. Joint legal relationship The Master Agreement, the Regulations and Transaction Descriptions, each Transaction, Agreement on Collateral, and any other agreement under which the Collateral is established - should be considered jointly. All references to the Master Agreement shall mean at the same time references to each concluded Transaction, unless the context explicitly indicates otherwise. 3. Non-compliance of provisions Should any inconsistency be found between the Transaction Terms and the provisions of the Master Agreement, the provisions agreed by the Parties in the Transaction Terms shall prevail.
Trade Repository	an entity or supervisory body authorised under the EMIR Regulations to collect and maintain records concerning Derivative Transactions, in particular as regards their conclusion, modification and termination.	Collateral Fixed Collateral or Variable Collateral.	
Delegated Regulation	Delegated Regulation of the Commission (EU) 2017/565 of 25 April 2016 supplementing the directive of the European Parliament and of the Council 2014/65/EU regarding the organisational requirements and conditions of conducting activity by investment firms, and the terms defined for the purpose of this directive.	Personal Collateral shall mean collateral granted by a third party in the form of a surety, guarantee or other security of a similar nature.	
Regulation PRIIP	Regulation of the European Parliament and of the Council (EU) no. 1286/2014 of 26 November 2014 on the documents including key information on the retail products of collective investing and insurance investment products (PRIIP).	Received Collateral shall mean the PLN value of the Variable Collateral which has been established in favour of the Bank.	§ 3. Agreement Conclusion 1. Form of the Master Agreement, the Agreement on Collateral and any other agreement under which the Collateral shall be established Conclusion of the Master Agreement, the Agreement on Collateral and any other agreement under which the Collateral shall be established, as well as submitting any related declarations of intent - require a written instrument under pain of nullity, unless otherwise stipulated in these Regulations or the Master, or the Agreement on Collateral or any other agreement under which the Collateral shall be established. 2. Documents and information submitted by the Customer to the Bank Prior to conclusion of the Master Agreement, the Customer is obligated to submit to the Bank any documents and information indicated by the Bank that enable to identify the Customer, confirm the powers of attorney of persons acting on behalf of the Customer, evaluate the Customer's financial standing and creditworthiness, assess the level of the Customer's knowledge and experience regarding Derivative Transactions, and in particular as regards: 1) legal persons: a) current copy from the register of entrepreneurs, or b) other document, which defines the legal status of the Customer and its manner of representation - if the Customer, in accordance with the law, is not subject to entering into the register of entrepreneurs; 2) natural persons who run business activity: a) entry in the business register along with a statement that data contained therein are valid as at the date of application submission, b) certificate of having been granted a statistical number (REGON), c) certificate of being granted a tax identification number (VAT PL (NIP)) d) identity card; 3) both legal and natural persons engaged in economic activities: a) with the exception of professional Customers and eligible counterparties (under the MiFID Directive): - Customer Profile Questionnaire duly filled in and signed;
Transaction	each agreement entered into by the Parties under the Master Agreement.	Tangible Assets Collateral shall mean collateral which consists in the establishment of a limited right in property, or assignment of an ownership title or right of a tangible asset.	
Master Agreement	the agreement concluded between the Bank and the Customer regarding, in particular, the regulation of rules of entering into and settlement of various types of Transactions. Each Master Agreement which allows entering into Derivative Transactions - is the master agreement within the meaning of Art. 85 of the Act of 28 February 2003 on Bankruptcy Law (Journal of Laws of 2016, item 2171, as amended).	Fixed Collateral shall mean Personal Collateral, Tangible Assets Collateral or pecuniary collateral, established pursuant to: 1) these Regulations, and 2) the Agreement on Collateral, or 3) other agreement under which such Collateral shall be established.	
Agreement on Collateral	an agreement concluded between the Bank and the Customer in connection with the Master Agreement other than the "Master agreement on financial market transactions", which defines the rules for establishing the Collateral in order to secure the proper performance by the Customer of its obligations, including future or conditional obligations towards the Bank on that account (including the payment of the Net Settlement Amount).	Variable Collateral shall mean pecuniary collateral established pursuant to: 1) these Regulations, and 2) the Agreement on Collateral, or 3) other agreement under which such Collateral shall be established.	
UTI	(<i>Unique Transaction Identifier</i>), a unique identifier of the Transaction that the Bank is a party to, generated and placed by the Bank in the Confirmations. UTI is used in the process of reporting the Derivative Transaction to the Trade Repository.	Customer Information Attachment a document submitted by the Customer to the Bank in connection with conclusion of the Master Agreement, containing, among the others, data related to the Customer and its representative, necessary for conclusion of Transactions.	
Transaction Terms Arrangement	submission by the Parties of declarations of intent, which represent acceptance of the Transaction Terms.	The Bank and the Customer are also hereinafter referred to as " the Parties " (jointly) or " the Party " (individually). Whenever the "Master agreement on financial market transactions" refers to: 1) "Current Loss" - it shall mean the Exposure , 2) "Pre-settlement Date" - it shall mean the Early Termination Date , 3) "Security Deposit" - it shall mean, respectively, the Required Collateral or Received Collateral, or Variable Collateral , 4) "Password Instruction" - it shall mean the Customer Information Attachment , 5) "Bank Data Card" - it shall mean the List of the Bank's telephone numbers , 6) "Customer Data Card" - it shall mean the Customer Information Attachment , 7) "Pre-settlement Amount" or "Net Compensation Amount", or "Final Net Compensation Amount, or "Liquidation Amount" - shall mean the Net Settlement Amount , 8) "Collateral Amount" - it shall mean the Collateral Received , 9) "Transaction Limit" or "Transaction Limit Terms" - shall mean the Transaction Limit , 10) interest on the Security Deposit - it shall mean compensation arising from the Variable Collateral,	
Current Value of Liabilities	shall mean, with respect to the Transactions for which an Early Termination Date is determined, the total of: 1) the market value of a given Party's liabilities arising from Transactions		

- signed the "Financial instruments and investment service appropriateness assessment result",

used for the Customer Profiling;

- b) information on any Derivative Instrument transactions concluded with any entity other than the Bank;
- c) information on FX cash flows;
- d) information on managing the financial risk by the Customer;
- e) completed and signed credit application or application for foreign currency and derivative transactions, depending on the fact which document is required from the Customer by the Bank.

At the Bank's request, the Customer shall provide the Bank with documents or information other than listed above, in the form determined by the Bank - if in the Bank assess their submission is indispensable for the correct conclusion or performance of the Master Agreement and Transactions, or for the correct performance of the duty to report to the Trade Repository.

If, in accordance with the Customer Profiling result, a given type of Transactions or the investment service offered to the Customer is inappropriate for the Customer, the Bank shall inform the Customer accordingly, which does not exclude an option to conclude by the Bank the Master Agreement with the Customer, after the Customer has submitted a request for conducting the Transaction despite the warning.

With respect to a professional customer or eligible counterparty, the Bank assumes that as regards Transactions and investment services being the basis for Customer classification, it has the necessary knowledge and investment experience to understand the risks associated with such Transactions, therefore the Customer is not covered by the Customer Profiling.

3. Documents and information submitted by the Bank to the Customer

Prior to the conclusion of the Master Agreement, the Bank shall forward the following information/documents to the Customer:

- 1) Regulations along with the Transactions Descriptions,
- 2) "Description of risk related to market financial instruments", which includes a description of risk related to Transactions;
- 3) List of the Bank's telephone numbers;
- 4) "Information package for the Customer of the Global Markets Line at Bank BGZ BNP Paribas S.A.".
- 5) other information, if required by law.

The Bank shall forward the respective documents/information to the Customer according to his/her choice:

- 1) via the following website: www.kid.bnpparibas.com/BGZ - a document containing essential information for investors with respect to the following financial products: Forward Transactions, NDF Transactions and FX Swap Transactions,
- 2) in electronic form - on a durable medium as defined in the Delegated Regulation, including by e-mail to the e-mail address provided by the Customer in the Customer Information Attachment - a document containing essential information for investors with respect to the investment products other than: Forward Transactions, NDF Transactions and FX Swap Transactions.

A retail Customer (in accordance with the MiFID Directive) may request the Bank to provide a paper copy of the document containing essential information for investors free of charge.

The Customer is obligated to peruse the document referred to above before concluding a Derivative Instrument Transaction with the Bank.

The Customer being an eligible counterparty declares that s/he does not intend to offer to his/her customers any financial instruments purchased under the Master Agreement (however, conclusion of Derivative Instrument Transactions by a sell-side manager acting for his customer in connection with the Master Agreement shall not violate the above declaration).

Except as otherwise provided in the Master Agreement and the Regulations, all correspondence related to the Master Agreement and Transactions shall be forwarded to the Customer to the e-mail address indicated by the Customer in the Customer Information Attachment or in another document previously approved by the Bank. The Customer may apply for forwarding all correspondence related to the Master Agreement and Transactions in a paper form.

4. Implementation of MiFID Directive requirements

Prior to the conclusion of the Master Agreement, the Bank in accordance with MiFID:

- 1) classifies the Customer into the relevant category;
- 2) establishes a Customer profile - with the exception of professional Customers and eligible counterparties (under the MiFID Directive).

5. Service Nature

Through concluding Transactions, the Bank buys or sells financial instruments on its own account and, if a Transaction is concluded for the purpose of executing the Customer's order, it simultaneously executes orders to buy or sell financial instruments.

"Policy of executing the orders of the Customer of the Global Markets Line of Bank BGZ BNP Paribas S.A.", referred to in § 26 of these Regulations, may indicate cases in which conclusion of specific Transactions does not constitute the execution of orders for the Customer's account,

In connection with the performance of the Master Agreement, the Bank shall not:

- 1) accept and forward the Customer's orders,
- 2) provide investment consulting.

Neither information nor opinions regarding the Transaction Terms provided by the Bank constitute a recommendation on investments in financial instruments, nor will they be interpreted as such by the Customer.

The Customer hereby acknowledges that:

- 1) the Bank may apply the financial collateral arrangements consisting in the transfer of cash by the Customer to the Bank,
- 2) if the Bank applies financial collateral arrangements involving the transfer of cash to the Bank, the Client accepts the risk and consequences related to the fact that the Bank becomes the owner of the Client's cash for the duration of the security.

6. Limited number of Master Agreements concluded

Unless otherwise agreed between the Parties, the Customer may conclude with the Bank only one Master Agreement related to Transactions of the same type.

§ 4. Powers of attorney

1. Proxies

The Customer may appoint proxies to enter into Transactions and sign Confirmations, indicating in the Customer Information Attachment or in other document previously approved by the Bank, the data of the proxies and the scope of their authorizations.

2. Authorization to represent the Customer

A person indicated in the Customer Information Attachment or in other enclosed document previously approved by the Bank shall be deemed duly authorized to represent the Customer in matters relating to the Transactions, namely, in particular: negotiation and conclusion of any Transactions (including Transactions other than those provided for in the Transaction Descriptions), and signature of Confirmations.

3. Scope of powers of attorney

The Customer may grant a limited power of attorney authorising a proxy to conclude any Transactions or specific power of attorney authorising the proxy to conclude only certain types of Transactions.

4. Signature specimen

The Customer shall provide the Bank with specimen signatures of authorized persons. Specimen signatures are put in the Customer Information Attachment or in another document, previously approved by the Bank.

5. Revocation of the Power of Attorney

Any power of attorney may be revoked by the Customer by modifying the Customer Information Attachment (using the form provided by the Bank) or within another document previously approved by the Bank - signed in the presence of the Bank's employee, unless the Bank accepts revocation of the power of attorney in a different manner. Revocation of the power of attorney by the Customer becomes effective with respect to the Bank starting from the second (2) Business Day following the date of submitting a relevant document to the Bank.

§ 5. Transaction Limit

1. Concluding Transactions within the Transaction Limit

The Bank defines the Transaction Limit for the Transactions specified in the Transaction Descriptions (excluding Today Transactions), broken down into a limit for:

- 1) foreign currency Transactions (i.e. Transactions related to Currency Options and Foreign Currency Transactions),
- 2) interest rate Transactions (i.e. Transactions related to Interest Rate Options, IRS Transactions or CIRS Transactions),
- 3) commodity Transactions (i.e. Commodity Swaps Transactions).

Subject to the provisions below, the Transaction Limit granted to the Customer allows the Customer to conclude Transactions with the Bank, provided that their conclusion does not result in exceeding the limit.

Should the Transaction Limit be exceeded by the Exposure, no new Transactions may be concluded.

At the request of the Customer, the Bank may, at its discretion, enter into a Tomorrow Transaction or Spot Transaction with the Customer, also in the case the Transaction Limit has been used in full or exceeded, or

in the case the Customer has no Transaction Limit with the Bank.

2. No commitment to conclude Transactions

Granting the Transaction Limit to the Customer does not obligate the Bank to enter into any Transaction with the Customer.

In connection with the conclusion of Transactions, the Bank does not act as another liquidity provider within the meaning of Delegated Regulation (EU) 2017/575 of the Commission, which supplements Directive 2014/65/EU of the European Parliament and of the Council concerning markets in financial instruments, with regard to regulatory technical standards for the data, published through order execution systems, regarding the quality of transaction execution - therefore the Bank may refuse to enter into a Transaction.

In particular, the Bank may refuse to enter into a Transaction, if it does not have the Customer's data necessary to fulfill the obligation to report Transactions to the Trade Repository, in accordance with EMIR Regulations, in particular, if the Customer fails to provide the Bank with the LEI identification number or data necessary for the Bank to fulfill the reporting obligations of the Bank.

3. Change of the Transaction Limit by the Bank

In case of:

- 1) changes in the current market conditions or,
- 2) occurrence of an Event of Default, or
- 3) deterioration of the economic and financial situation or the financial status of the Customer, resulting in increased risk of the Customer's default on obligations towards the Bank arising under the Master Agreement and Transactions,

The Bank has the right to change the Transaction Limit (including its cancellation).

4. The Customer's obligations

The Customer is obligated to provide the Bank with documents and information required by the Bank to determine the Transaction Limit amount.

5. Informing the Customer about the Transaction Limit availability

The Bank shall notify the Customer about the Transaction Limit granted or changed, by sending a respective notice to the Customer. The Customer shall confirm the receipt of the above information from the Bank, by having the received document signed by the Customer or the Customer's proxy and sending it back to the Bank.

At the Customer's request, the Bank shall inform the Customer about the Transaction Limit availability on a given Business Day.

§ 6. Preconditions

A decision on starting cooperation with the Customer as regards the conclusion of Transactions shall be conditioned by the Bank upon the Customer's prior fulfillment of the following:

- 1) opening a current account with the Bank and maintaining it for a period not shorter than until the Customer satisfies all financial liabilities due to the Bank under the Master Agreement and the Transactions (including the payment of Net Settlement Amount);
 - 2) concluding the Master Agreement with the Bank,
 - 3) setting a Transaction Limit for the Customer by the Bank;
 - 4) other, determined in the Master Agreement,
- in addition to the above:

- 5) at the Conclusion Date, the Customer shall hold funds in the relevant currency on the Customer Settlement Account that are sufficient to execute the Transactions - in the case of concluding Today Transactions.

§ 7. Voluntary Nature of the Transaction Conclusion

1. No commitment to conclude Transactions

Except as otherwise agreed with the Customer, Transactions are concluded at the Customer's initiative only. Fulfillment by the Customer of the preconditions specified in the Regulations and the Master Agreement, shall not impose on the Parties any obligations to conclude the Transactions. In particular, the Bank reserves the right to refuse Transaction conclusion in the case the Bank decides that a Transaction conclusion is not suitable for the Customer.

2. Exclusion of the Parties' liability

Neither Party shall be liable to the other Party for any damage incurred by that Party, as a result of refusal to conclude the Transaction.

§ 8. Transaction Types

1. The Parties shall concluded between each other the Transactions specified in the Transaction Descriptions, subject to item 2.
2. Any Transaction, which has not been specified in a relevant Transaction Description, may be concluded provided that additional provisions are agreed upon in the Transaction Terms which will accordingly modify the description of the relevant Transaction contained in the Transaction Description.
3. To conclude a Transaction it is necessary that the Parties each time agree upon the important Transaction Terms

indicated in the Transaction Description that is relevant for a given Transaction.

§ 9. Transactions concluded under the suspensive condition

Transactions may be concluded by the Parties under the suspensive condition related to fulfilment of certain parameters pertaining to the Transaction Terms within the time frame agreed by the Parties. The Transaction is concluded once each Party has made a unanimous declaration of will to the effect that it accepts the Transaction Terms, including the suspensive condition. Such Transaction shall become effective once the suspensive condition has been fulfilled. The Bank shall confirm the fact that the Transaction has become effective through forwarding a Confirmation to the Customer, in accordance with these Regulations.

§ 10. Arrangement of the Transaction Terms

1. Manners of the Transaction Terms Arrangement

The Transaction Terms are agreed as follows:

- 1) over the phone, or
- 2) electronically, including via means of electronic communication, or
- 3) in other manner agreed upon by the Parties - providing that the Parties have stipulated so in the Master Agreement.

Consistent declarations of intent on the Transaction conclusion should be submitted in a manner appropriate for the means of communication used.

2. Customer Identification

In order to agree the Transaction Terms:

- 1) over the phone:
 - a) the Customer shall contact a Bank employee authorised to conclude the Transactions by calling at the predefined telephone number, or
 - b) the Bank shall contact a person, indicated in the Customer Information Attachment (or in another relevant document previously accepted by the Bank), as the person authorised to conclude a given type of Transactions, by calling the telephone number of the said person provided to the Bank.

To identify the Customer, the person authorised by the Customer to conclude the Transactions shall provide, at the request of the Bank employee, information selected out of the identification data contained in the Customer Information Attachment or in another document previously accepted by the Bank.

The Bank shall identify the Customer solely on the basis of the above information.

The Customer shall bear full responsibility for the Transactions concluded by any unauthorised person who was identified by the Bank under the Master Agreement as the person authorised by the Customer to conclude the Transactions.

- 2) for the Transactions concluded electronically, or in any other manner agreed upon by the Parties - the Parties are identified in accordance with the arrangements made between the Bank and the Customer.

3. Transaction Conclusion

Transactions are deemed concluded upon Arrangement of the Transaction Terms.

4. Electronic recording of the Transaction Terms

The Customer acknowledges that the Bank may record telephone conversations and keep all correspondence (including e-mails) between the Parties to the extent resulting from the applicable provisions of law. A copy of the recording of conversations with the Customer and correspondence with the Customer may be made available to the Customer at his/her request for a period of five years, unless the relevant provisions provide for a longer period.

The Bank has the right to charge a fee for providing recorded communication.

Recorded telephone conversations and all correspondence may constitute evidence in the event of initiating any proceedings before a court to determine circumstances of particular Transactions.

§ 11. Confirmations

1. Forwarding a Confirmation to the Customer

The Bank confirms to the Customer the Transaction conclusion by providing the Customer with respective Confirmation (on a durable medium), which constitutes evidence of the Transaction conclusion, immediately, however, no later than on the business day following the day of the Transaction conclusion, in the manner agreed with the Customer. Still, the Transaction shall be deemed validly concluded irrespective of whether its Confirmation has been made or not.

Confirmations do not require the Bank's signature, and in any case will constitute sufficient proof of the agreed Transaction Terms.

2. Correct Confirmation

Transactions with the Settlement Date of up to one (1) year (inclusive) from the Conclusion Date are deemed confirmed by the Customer, unless the Customer raises objections (§ 25 of the Regulations, Dispute Early Detection and Solution Procedure).

With regard to Transactions whose the Settlement Date is above one (1) year from the Conclusion Date, after receiving the correct Confirmation from the Bank, on the day of its receipt, the Customer is obligated to submit a statement accepting the correctness of the agreed Transaction Terms included in the Confirmation. The statement is submitted by the Customer by returning to the Bank one copy of the Confirmation affixed with signature of the Customer or Customer's proxy, consistent with the specimen signature put by the Customer or Customer's proxy.

Address of the Bank, for the purpose of submission by the Customer of a declaration of intent accepting the correctness of agreed Transaction Terms specified in the Confirmation, is included in the Bank's notification containing the respective Confirmation.

3. Forwarding a Confirmation to the Customer

Upon Agreement of the Transaction Terms, the Bank shall confirm, without delay, the Transaction Terms by sending a Confirmation to the Customer.

The Transaction, however, shall be deemed validly concluded irrespective of whether its Confirmation has been made or not.

The Bank may send the Confirmation to the Customer in writing by facsimile, via electronic data transmission system, or in the form of a printout from the Bank's IT system. Confirmations do not require the Bank's signature, and in any case will constitute sufficient proof of the agreed Transaction Terms.

§ 12. Early Termination or Settlement of Transactions

To early terminate and settle a specific Transaction ("Transaction to Be Closed") or its part, the Parties may:

- 1) enter into a Transaction opposite (as regards liabilities) to the Transaction to Be Closed ("Closing Transaction"). As a result of the Closing Transaction conclusion, mutual liabilities of the Parties under the Transaction to Be Closed and the Closing Transaction are netted on the Settlement Date to the lower of the respective amounts.

The Party whose value of liabilities subject to netting following the conclusion of a Closing Transaction is higher, shall pay the other Party, on the Settlement Date, the amount representing the difference between the value of its liabilities and the value of the liabilities of the other Party.

Whenever the amounts of liabilities of both Parties are equal, none of the Parties shall be under the obligation to make any payments to the other Party, and the liabilities of the Parties shall be settled by netting off and then expire,

- 2) set an Early Termination Date, as stipulated in the Regulations.

§ 13. Implementation of obligations arising from the EMIR Regulations – general provisions

1. Customer Status

Unless a Customer informs the Bank in writing about other status of the Customer than the one accepted by the Bank, for the needs of fulfilling duties arising under the EMIR Regulations, the Bank assumes that the Customer is the NFC Customer.

The Customer shall monitor, on a current basis, the circumstances and events that affect its status as the NFC Customer or NFC+ Customer. In the event of:

- 1) the threshold set out in the regulations issued pursuant to Art. 10. item 4 of the EMIR Regulations has been exceeded or met again, or
- 2) the Customer's status has changed,

the Customer is forthwith obligated, not later than prior to the conclusion of the Derivative Transaction or change of the existing Derivative Transaction - to inform the Bank in writing of this fact.

2. Obtaining a LEI code or updating its validity date

The Customer is obligated to immediately apply to the relevant LOU for assigning a LEI code to the Customer / updating the LEI code's validity date, and inform the Bank about this code / updated validity date of the assigned LEI code. Until the Bank is notified accordingly, the Bank has the right not to report, on behalf of the Customer, the Derivative Transactions to the Trade Repository.

At the Customer's request, the Bank, under a power of attorney granted to the Bank by the Customer and drawn up according to the requirements of a given LOU - may apply on the Customer's behalf to such a LOU for assigning a LEI code to the Customer / updating the validity date of the assigned LEI code. The Bank will debit the Customer's account with all fees that the Bank is obliged to incur in connection with acquiring and/or holding a LEI code. To confirm the fees charged, the Bank shall issue a VAT invoice to the Customer in accordance with the law provisions binding in this regard.

§ 14. Reporting Derivative Transactions to the Trade Repository - in accordance with the EMIR Regulations

1. Authorization to report the Derivative Transactions

The Customer authorizes the Bank to report (the "Reporting"), on its behalf, to the Trade Repository (selected by the Bank) with which the Bank concluded in

this respect a relevant agreement, any information subject to the Reporting under EMIR.

2. Reporting

The Reporting is made within the scope, in the manner and on dates defined in the EMIR Regulations and in the agreement concluded by the Bank with the specific Trade Repository. The Bank shall inform the Customer about the Trade Repository selected by the Bank and about its change.

The Bank has the right to choose more than one Trade Repository depending on the type of the reported Derivative Transaction.

The Bank has the right to cease the reporting to the Trade Repository on the Customer's behalf at any time, in particular if the Customer fails to provide the Bank with information required by the Trade Repository, e.g. LEI code.

3. Cancellation of the Reporting authorization

In the event the Customer intends to make reports to the Trade Repository on its own or via another entity selected by the Customer, then the Bank and the Customer under a separate agreement shall establish conditions for ceasing the Reporting by the Bank.

4. Bank's liability for the Reporting activity

The Customer shall release the Bank from any liability for non-reporting or improper reporting of information to the Trade Repository, in particular due to technical problems or occurrence of force majeure.

Release of the Bank from the liability for the Reporting activity - shall not apply to cases where the Customer's damage was caused by the Bank's wilful misconduct or gross negligence.

5. Possible fees related to the Reporting

The Bank shall render to the Customer a service of Reporting the Transactions to the Trade Repository on its behalf, free of charge; however, the Reporting may involve an obligation to incur specific fees imposed by such Trade Repository. In this case the Customer, at the request of the Bank, shall refund the Bank the amount of the fees incurred by the Bank in favour of the Trade Repository in connection with the Reporting on behalf of the Customer.

6. Reporting obligation resting on each Party

The Customer acknowledges that under the EMIR Regulations the obligation to report to the Trade Repository is imposed on each Party of the Transaction (i.e. separately on the Customer and the Bank).

Although, the Bank reports on behalf of the Customer to the Trade Repository, the penalties resulting from the Customer's failure to meet the requirements under the EMIR Regulations to the extent above mentioned, may be imposed directly on the Customer.

§ 15. Derivative Transaction Portfolio Compression - in accordance with the EMIR Regulations

When the number of Transactions concluded and not terminated, which pursuant to the EMIR Regulations do not have to be centrally cleared by CCP, exceeds 500 (five hundred) - the Parties (on the Bank's initiative or at the Customer's request) at least once every six (6) months, shall undertake measures to find an option to compress the Transaction portfolio and, to the extent required by law, make a separate agreement governing the rules of compression.

§ 16. Derivative Transaction Portfolio Reconciliation - in accordance with the EMIR Regulations

After receiving the Information - the Customer is obligated to:

- 1) verify the accuracy of the information with the agreed Transaction Terms,
- 2) report any inconsistencies of the data contained in the Information - under a complaint procedure.

In the event any inconsistencies are not reported, it is deemed that the Parties have reconciled the portfolio of concluded Derivative Transactions.

§ 17. The Manner of Effecting Payments Related to Transactions concluded

1. Payments

Subject to other provisions of the Regulations and the Master Agreement, each Party shall make the payment it is obliged to effect pursuant to the Transaction Terms, the Regulations, Master Agreement and description of a particular Transaction included in the Transaction Description. The date when the relevant account of the Party entitled to receive such a payment is credited with the due amount shall be deemed the payment date. Each Party shall independently bear the costs of payments it makes.

The Customer shall ensure the relevant funds on the Customer Settlement Account in the amount due to the Bank on its maturity date, and in case of seizure of such an account by an authorised enforcement body, make a payment directly to the Bank Settlement Account, quoting the number of the Transaction under which the payment is effected.

2. Calculations

It is the Bank that calculates any amounts payable by the Party under the Master Agreement and each Transaction, unless an obvious calculation error occurs or it is

otherwise stipulated directly in the Master Agreement or Transaction Terms.

3. Payment Manner

Payment of all amounts under the Transactions (including the Net Settlement Amount) shall be made, with respect to amounts to be paid by:

- 1) the Bank – through a payment of the amount due to the Customer made by the Bank into the Customer Settlement Account on a date agreed upon in a given Transaction;
- 2) the Customer – through debiting the Customer Settlement Account by the Bank with the amount due to it from the Customer on a date agreed upon in a given Transaction.

4. Payment Manner Modification

In cases where on the Settlement Date there are no funds in the Customer Settlement Account in the amount equal to the sum due to the Bank, the Bank will have the right to collect such an amount on the following Business Day from any other account of the Customer held with the Bank, or to charge it against any available credit limit or debit limit granted to the Customer in any of its accounts at the Bank.

Whenever the currency of the amount due to the Bank is different from the currency of the account from which such an amount is collected, the Bank shall convert this amount into the currency in which it is due at an appropriate exchange rate indicated in the table of exchange rates applied at the Bank on the collection day.

§ 18. Delay in Effecting Payments

1. Default Interest

The Party which fails to fulfil its obligation related to making the payment under the Master Agreement or Transaction in due time shall, at a request of the other Party, pay interest for delay equal to the maximum interest defined in the Civil Code Act dated 23 April 1964 (Journal of Laws of 1964, No. 16, item 93, as amended), on the equivalent of the past-due payment amount, translated into PLN at the NBP mid-rate applied as at the Settlement Date.

2. The Bank's Closing Transaction

Whenever on the Settlement Date there are no funds on the respective Customer Settlement Account, the Bank may (i) refrain from making the payment which it is obligated to make under the Transaction, and (ii) conclude a transaction opposite to the given Transaction ("the Bank's Closing Transaction") in order to close the Bank's open FX position.

The Bank's Closing Transaction shall be concluded at the relevant exchange rate determined in the first table of exchange rates announced by the Bank on the Bank's Closing Transaction conclusion date, (however not earlier than on the Business Day following the Transaction Settlement Date).

If as a result of concluding the Bank's Closing Transaction the Bank suffers a loss due to an exchange rate difference between the Exchange Rate and the exchange rate applied in the Bank's Closing Transaction, the Customer shall pay the Bank the amount equal to the loss suffered. The Bank is authorized to charge the Customer Settlement Account or any other Customer's account maintained by the Bank with such an amount in a relevant currency.

3. Blockade of Funds

Should the Customer fail to pay the amount due to the Bank for effecting the Transaction (including the Net Settlement Amount), the Bank has the right to do the following:

- 1) suspend a payment of the amount due to the Customer until the day of receipt of the amount due to the Bank from the Customer, or
- 2) if the Bank has paid the amount due to the Customer into the Customer Settlement Account, block the amount paid and on the Business Day following the Settlement Date collect from the Customer Settlement Account the amount indispensable to ensure the Transaction execution by the Customer, or
- 3) on the Settlement Date, block, on the Customer Settlement Account or any other account of the Customer at the Bank, the amount equal to the amount due to the Bank for the Transaction execution in order to count it towards such unpaid Customer dues to the Bank.

§ 19. Event of Default

The following events that occurred in respect of a Party or its Affiliate shall constitute an Event of Default in relation to that Party ("the Defaulting Party"):

- 1) **Failure to Pay.** Failure to make any due payment that the Party is obligated to make under the Transaction or pursuant to the Master Agreement at the maturity date.
- 2) **Breach of Obligations.** Failure by the Party to perform any other obligations arising under the Master Agreement or the Transaction, or failure by the Customer or its Affiliate to perform an obligation to establish respective collateral, likewise failure to

perform an obligation arising from the established collateral securing the performance of the Customer's obligations under the Transaction or Master Agreement.

- 3) **Misrepresentation.** Any representation made by a Party in accordance with the provisions of the Master Agreement that is found to be materially untrue.
- 4) **Breach of Financial Obligations under Other Derivative Instruments.** Event when the Party or its Affiliate fails to perform or defaults on any financial obligation (existing or future) arising under any Derivative Instrument transaction concluded with a third party, regardless of the amount of such obligations and whether the Party's creditor has had recourse to its right to claim immediate fulfilment of the obligation or not.
- 5) **Breach of Financial Obligations under Other Agreements.** The Party or its Affiliate fails to perform or defaults on any financial obligations arising under other agreements or documents, regardless of whether the Party's or its Affiliate's creditor has had recourse to its right to claim immediate fulfilment of the obligation or not, provided only that the total value of such obligation or obligations exceeds the Threshold Amount. The failure by the Party or its Affiliate to implement a valid court decision or an administrative decision on the payment of the amount in excess of the Threshold Amount.
- 6) **Insolvency Proceedings Restructuring**
 - a) The occurrence of circumstances for declaring bankruptcy or initiating restructuring proceedings against the Party or its Affiliate.
 - b) A bankruptcy petition was filed against the Party or the Party's was declared bankrupt.
 - c) A restructuring petition within the meaning of Art. 7 of the Restructuring Law Act of 15 May 2015 (Journal of Laws of 2015, item 978) was filed, or court rendered a decision on initiation of debt composition proceedings, expedited debt composition proceedings, sanation proceedings, or a decision on approval of the debt composition.
- 7) **Liquidation.** The adoption by the Party or its Affiliate's governing body of a resolution aimed at the dissolution or liquidation of any of them, or the issuance by a competent supervisory body or court of a relevant decision leading to the Party's or its Affiliate's dissolution, liquidation or putting under administration of an official receiver.
- 8) **Enforcement by a Bailiff.** The initiation of enforcement proceedings or proceedings to secure claims against the Party or its Affiliate related to the amount in excess of the Threshold Amount, provided that such proceedings have not been discontinued within fourteen(14) days of their initiation date.
- 9) **Decrease in Collateral Value.** The collateral securing the Transaction execution established by the Customer or its Affiliate has been lost or its value, in the Bank's opinion, significantly decreased as compared to the current Transaction pricing, and the Customer or its Affiliate failed to establish, at the Bank's request and by the date indicated in such a request, the new collateral required by the Bank, or failed to increase the value of the existing collateral under the conditions agreed upon in the agreement or in the document establishing the collateral.
- 10) **Others.** The occurrence of other circumstances defined by the Parties in the Transaction Terms.

Each of the aforementioned events may be considered an Event of Default by the Party on the condition that it occurs in relation to the other Party after the conclusion of the Master Agreement unless such an Event of Default has already existed at the moment of its conclusion and the Defaulting Party has not informed about this fact the other Party.

The obligation to inform the other Party does not apply to the events constituting the Event of Default which have been publicly disclosed by the other Party.

§ 20. Termination Event

The occurrence of any of the following events in relation to a Party shall constitute a Termination Event in relation to that Party ("Affected Party"):

- 1) **Changes of law provisions.** As a result of changes of laws (including the tax law) or their generally binding interpretation:
 - a) the Transaction becomes illegal or
 - b) the execution of the Transaction results in a breach of law by the Affected Party or
 - c) the execution of the Transaction will necessitate incurring excessive costs or suffering a material loss by that Party.
- 2) **Impossibility.** The occurrence with respect to the Affected Party of circumstances that result in an impossibility to fulfil the obligation, within the meaning of Article 475 or 495 of the Polish Civil Code.
- 3) **Others.** The occurrence of other circumstances defined by the Parties in the Transaction Terms.

The Affected Party shall promptly notify the other Party about the occurrence of a Termination Event in writing quoting the Termination Event that occurred and each Transaction affected by it. The Parties shall in good faith undertake measures aiming at agreeing upon such new Transaction Terms that the Termination Event, which has occurred, ceases to have influence on the Transactions affected by it.

§ 21. Effects of an Event of Default or Termination Event

1. Right to Withhold Payments

Following the occurrence of an Event of Default or Termination Event in relation to the Party, the other Party (being neither the Defaulting nor the Affected Party) shall be authorised to refrain from making any further payments in favour of the Defaulting Party or Affected Party, and shall not be obligated to pay any default interest on that account.

Until the Event of Default or Termination Event ceases or is remedied, the Party that is neither the Defaulting nor the Affected Party is vested in the aforesaid right to refrain, unless an Early Termination Date has been indicated earlier.

2. Right to Determine the Earlier Termination Date

In the event of occurrence of:

- 1) Event of Default – the Party, in relation to which the Event of Default did not occur ("the Non-Defaulting Party") may, by giving a written notice addressed to the Defaulting Party and quoting the Event of Default that has occurred, do the following:
 - a) set an Early Termination Date with respect to the Master Agreement and all Transactions; along with the Master Agreement termination, all Transactions concluded thereunder are terminated likewise, or
 - b) without terminating the Master Agreement, specify an Early Termination Date with respect to one or more Transactions affected by the Event of Default.
- 2) Termination Event – if within three (3) Business Days of the date of notifying about the Termination Event that has occurred, however no later than two (2) Business Days immediately preceding the nearest Settlement Date, the Parties do not agree upon new Transaction Terms in relation to all the Transactions affected by the Termination Event, either Party may, subject to a prior written notice sent to the other Party and provided that the Termination Event persists, set the Early Termination Date in relation to all the Transactions affected by that Termination Event. In the event that both Parties have concurrently set an Early Termination Date which however falls on different days, then the Early Termination Date that falls on the earlier day shall be applicable.

Notwithstanding the above, the Parties may, at any time, set the Early Termination Date in relation to all or some Transactions by way of a separate agreement. In such a case, the Parties shall agree on a calculation method and a payment date of the Net Settlement Amount. Such an agreement may be concluded in particular over the phone, subject to appropriate Transaction conclusion rules.

3. Costs refund

Whenever an Early Termination Date has been set in connection with the occurrence of an Event of Default, the Defaulting Party shall pay the Non-Defaulting Party, at its request, the following:

- 1) all justified costs, including legal costs, incurred by the Non-Defaulting Party in connection with the enforcement or protection of its rights under the Transaction or in connection with the setting of the Early Termination Date, and
- 2) damages on the terms set forth in the Civil Code.

4. Net Settlement Amount

Whenever the Early Termination Date has been set in connection with the occurrence of:

- 1) Event of Default – then the Net Settlement Amount shall equal the difference between the Current Value of Liabilities of the Parties.
- 2) Termination Event - if the Termination Event concerns:
 - a) only one of the Parties – the Net Settlement Amount shall be determined pursuant to section 1 above;
 - b) both Parties – the Net Settlement Amount shall equal half of the difference between the Current Value of Liabilities of the Parties.

5. Calculation and Payment of the Net Settlement Amount

All steps related to the calculation of the Net Settlement Amount shall be performed by the Calculation Agent that should act in good faith and with due care justified by the professional nature of the activity pursued, and in accordance with market conditions prevailing on the day settlements are made.

The Non-Defaulting Party shall have the right to designate the Calculation Agent.

The Calculation Agent, within seven (7) Business Days after the Early Termination Date (unless the Bank, Customer and Calculation Agent set a different date) shall calculate the Net Settlement Amount and provide the Non-Defaulting Party with the statement quoting the Value of Current Liabilities of each Party towards the other Party and the Net Settlement Amount. The Non-Defaulting Party shall forward the statement of the Calculation Agent to the other Party within three (3) Business Days of the statement receipt.

The Party, whose Current Value of Liabilities is higher, shall pay the Net Settlement Amount. The Net Settlement Amount shall be payable at the latest on the day falling two (2) Business Days after the Party obliged to pay the Net Settlement Amount has been provided with the statement of the Calculation Agent quoting the Net Settlement Amount.

The Non-Defaulting Party shall ensure that in the Net Settlement Amount calculation, the Calculation Agent will use and take into account any available information and data that may affect the Value of Current Liabilities, in particular:

- 1) any information on conditions on which third parties, active on the market of forward and derivative transactions, will be willing to conclude transactions replacing Transactions for which the Early Termination Date has been set; whereas the said conditions may take into account the creditworthiness of the Calculation Agent or Non-Defaulting Party on the day the information is obtained, likewise provisions of any agreements concluded by the Calculation Agent and entities providing such information;
- 2) any market data obtained from third parties that the Calculation Agent, acting with due care, should take into account while calculating the Value of Current Liabilities, and
- 3) information on conditions on which it is possible to conclude transactions replacing Transactions for which the Early Termination Date has been set, likewise any adequate quotations and market data obtained by the Calculation Agent from external sources (i.e. within the group in which the Calculation Agent is included), provided that such information is customarily used by the Calculation Agent in its activity while valuating transactions comparable to Transactions for which the Early Termination Date has been scheduled.

Furthermore, the Non-Defaulting Party shall ensure that while calculating the Net Settlement Amount, the Calculation Agent shall take into account the following:

- 1) financing costs, provided that such costs have not been taken into consideration in the information obtained by the Calculation Agent,
- 2) any costs incurred due to termination or closing of transactions concluded by the Bank that are opposite to the Transactions to which the Early Termination Date applies, and
- 3) any costs incurred in concluding transactions replacing Transactions to which the Early Termination Date applies.

At the request of the Defaulting Party, the Non-Defaulting Party shall ensure that the Calculation Agent shall present the parameters used to calculate the Net Settlement Amount.

Should the Bank be authorised to designate the Calculation Agent, the Customer has the right to submit in writing, through the Bank, within seven (7) Business Days of the receipt of the Calculation Agent's statement quoting the Value of Current Liabilities and Net Settlement Amount, its objections to the Net Settlement Amount calculated by the Calculation Agent, furnishing for this purpose the relevant calculations obtained from at least three (3) different banks or lending institutions active on the market of forward and derivative transactions of the same type as Transactions to which the Early Termination Date applies.

Should the Customer's objections be acknowledged, the Calculation Agent shall provide the Customer, through the Bank, with a new calculation of the Net Settlement Amount. Should the Calculation Agent overrule the Customer's objections, the existing calculation of the Net Settlement Amount shall be binding upon the Parties.

6. Set-Off

The Non-Defaulting Party will be entitled to set off the Net Settlement Amount against all other due or undue claims of the Defaulting Party, regardless of the payment location or currency of each of these claims.

If the offset claims are expressed in various currencies, for the purpose of their offsetting, they will be translated into PLN at the respective exchange rate indicated in the table of exchange rate applied by the Bank on the set-off date.

7. Right of Withdrawal

Irrespective of the right to set an Early Termination Date in connection with occurrence of the Event of Default, whenever on the Settlement Date the Defaulting Party fails to make payment in favour of the Non-Defaulting Party of the full amount due to the Non-Defaulting Party under the settlement of the Transaction concluded, the Non-Defaulting Party shall have the right to withdraw, on the next Business Day following the Settlement Date, from the entire Transaction without the need to set another date.

In such a case, each Party shall reimburse the other Party for all the amounts received from it under the Transaction, however the amount due to the Non-Defaulting Party shall be increased by default interest in the amount of maximum interest specified in the Civil Code Act of 23 April 1964 (Journal of Laws from 1964 No. 16, item 93, as amended), for the period commencing from the date of

the amount payment to the Defaulting Party until the date of its reimbursement by the Defaulting Party.

Further, the Defaulting Party shall pay the Non-Defaulting Party the positive difference between: (a) the settlement amount, which the Defaulting Party was obliged to pay on the Settlement Day under the Transaction, and (b) the amount which the Defaulting Party would have been obliged to pay the Non-Defaulting Party under that Transaction, if the Settlement Day had fallen on the day when the Non-Defaulting Party withdrew from that Transaction, computed using the relevant foreign exchange rate, or interest rate customarily applied by the Bank on that day to value such a Transaction.

§ 22. Collateral - General Provisions

1. Collateral types

Collateral established to secure the receivables due to the Bank under the Master Agreement or Transactions may be Fixed or Variable.

The Parties may arrange in the Master Agreement that regardless of the Customer's obligation to establish Fixed and Variable Collateral within the meaning of the Regulations and Master Agreement, the Transaction conclusion shall be conditional upon the establishment of initial collateral by the Customer or its Affiliate in a form and value agreed with the Bank.

Such initial collateral is not subject to the provisions of the Regulations or Master Agreement regarding the Collateral and is established independently of the Fixed and Variable Collateral and its value is not considered when calculating the amount of Fixed and Variable Collateral.

The initial collateral is established for the Master Agreement validity term however for not less than until the Customer satisfies all financial liabilities due to the Bank under the Master Agreement and the Transaction concluded (including the payment of Net Settlement Amount) that have not been satisfied before the termination of the Master Agreement.

2. Collateral Form

Collateral is established in the following form:

- 1) Variable as well as Fixed Collateral of a cash nature is established in PLN, through the assignment of the ownership of respective funds made by the Customer in favour of the Bank pursuant to Article 102 of the Banking Law Act.

If the Customer assigns to the Bank respective funds in a currency other than PLN, the Bank shall convert the amount of such funds into PLN at the currency buy rate applied by the Bank at the time of such a conversion, as indicated in the table of FX rates, and the amount of such calculated funds shall be accepted by the Bank as the Collateral.

- 2) establishment of Tangible Assets Collateral and Personal Collateral requires the conclusion of a relevant agreement between the Parties under which such Collateral shall be established, or making other act in law by the respective Party as required by applicable regulations in order to establish a given type of the Collateral. Each act in law, based on which the Collateral is to be established, should be concluded in writing and, where respective regulations require for this purpose a special form – in such a prescribed form.

3. Independence of Fixed Collateral and Variable Collateral

The Fixed Collateral is established and settled independently of the Variable Collateral, which means that the obligation of the Customer to establish the Fixed Collateral exists independently of its commitment to establish the Variable Collateral.

Amounts and values of the established Fixed Collateral are not taken into account when calculating the amount of the Variable Collateral (i.e. the amount of the Received Collateral and the amount of the Required Collateral).

4. Remuneration

The rules for determining and calculating the due interest on the amounts received by the Bank on account of the Collateral establishment are determined:

- 1) in the Agreement on Collateral - signed by the Bank and the Customer in connection with the "Master Agreement" other than the "Master Agreement on Financial Market Transactions", or
- 2) in the provisions below, unless the Parties have agreed otherwise - in the case of the "Master Agreement on Financial Market Transactions" concluded between the Bank and the Customer.

For the amounts received by the Bank on account of establishing:

- a) the Fixed Collateral in the form of cash, the Bank shall pay the Customer respective interest, which will be calculated at a variable interest rate equal to WIBID 1M rate less the margin of 1.0% set by the Bank for each day on which the Collateral is maintained, including the day of payment, and excluding the day of refund, with the provision that if the WIBID 1M rate decreases to a value equal or less than the value of the margin, than from this day the Customer shall not be entitled to any interest.

The interest due to the Customer shall increase the amount of the Fixed Collateral in the form of cash,

- b) the Variable Collateral - the Bank shall pay the Customer respective interest, which will be calculated at a variable interest rate equal to WIBID O/N rate less the margin set by the Bank for each day on which the Collateral is maintained, including the day of payment, and excluding the day of refund, with the provision that if the WIBOR O/N rate shall decrease to a value equal to or less than the value of the margin, then from this day the Customer shall not be entitled to any interest. The interest due to the Customer shall increase the amount of the Received Collateral.

5. Submission to Enforcement

In the event that the Parties hereto have agreed that the Customer is obliged to submit to enforcement based on a statement in the form of a notarial deed, the content of the Customer's statement shall be consulted with the Bank.

In the event of:

- 1) the deadline by which the Bank may apply for appending the execution clause approaches its expiry; or
- 2) the amount determined in the notarial deed is lower than 150% of the current amount of the Customer's liabilities towards the Bank under the Transactions concluded,

the Customer, on the Bank's demand, shall deliver to the Bank, within three (3) days of the Bank's request made in this respect, a new statement on submission to enforcement in the form of the notarial deed, including respectively: a new date specified by the Bank until which the Bank may apply for appending the execution clause to the banking enforcement title, or a debt amount indicated by the Bank up to which the Customer submits to enforcement.

6. Satisfaction of Claims Against Collateral

The Bank has the right to enforce the Collateral on the Business Day following the day on which the Customer has failed to satisfy the Bank's claims arising from the Transaction.

In the event of setting an Early Termination Date, any amounts of the Fixed cash Collateral and the Variable Collateral shall be:

- 1) deducted by the Bank from the Net Settlement Amount provided that the Customer is obligated to pay it, or
- 2) added by the Bank to the Net Settlement Amount provided that the Bank is obligated to pay it.

The Bank's claims are satisfied against the Tangible Asset Collateral and the Personal Collateral in accordance with the agreement or other legal act-in-law, as a result of which such Collateral has been established.

§ 23. Fixed Collateral

1. Commitment to Establish Fixed Collateral

The Customer undertakes to establish, at the Bank's request and by the date indicated by the Bank in such a request, the Fixed Collateral accepted by the Bank.

The Customer is obliged to establish the Fixed Collateral in the following cases:

- 1) whenever in the Bank's opinion the Customer's financial or legal situation has deteriorated or is reasonably likely to deteriorate in such a manner that in the Bank's opinion it may adversely affect the Customer's ability to fulfil its obligations towards the Bank arising from the Transactions, or
- 2) in the Bank's opinion, the number or value of transactions involving Derivative Instruments concluded by the Customer with entities other than the Bank, may have a negative impact on the Customer's ability to fulfil its obligations towards the Bank arising from the Transactions, or
- 3) if Tangible Asset Collateral or Personal Collateral established by the Customer has ceased to be valid or has become lost for reasons beyond the Bank's control.

Furthermore, whenever the value of the asset encumbered with the Tangible Asset Collateral or value of the Personal Collateral established by the Customer substantially decreases in the Bank's view, the Customer shall establish, at the Bank's request and within the deadline set in the request, another Fixed Collateral accepted by the Bank.

2. Amount and Value of Fixed Collateral

The amount of the established Fixed Collateral may not be lower than the amount agreed on by the Parties in:

- 1) the Agreement on Collateral, or
- 2) other agreement under which such Collateral shall be established.

3. Multiple Fixed Collateral Assets

In the event that different types of the Fixed Collateral, or several Fixed Collateral assets of one type, have been established, then in order to determine the amount of the established Fixed Collateral, the total of amounts up to which individual Fixed Collateral assets have been established shall be taken into account.

4. Time of Fixed Collateral Establishment

The Customer's commitment to establish the Fixed Collateral shall be deemed fulfilled:

- 1) with regard to the Fixed Collateral in the form of cash – at the time of crediting the Bank's Collateral Account with the required amount,
- 2) with regard to the Personal Collateral and Tangible Asset Collateral - upon conclusion of an agreement with the Bank (or completion of other legal transaction), under which such Fixed Collateral arises, and in the case of the Tangible Asset Collateral the establishment of which requires registration in the relevant register or books – upon making such registration, and in the period prior to such registration – upon submission of a valid application for the respective registration, provided that such application has not been withdrawn prior to making the registration.

5. Failure to establish the Fixed Collateral

In the case of a failure by the Customer to establish the Fixed Collateral, the Bank has the right, irrespective of the right to set an Early Termination Date in relation to all the Transactions, to debit first any of the Customer's accounts at the Bank with the amount necessary for the establishment of such Collateral.

In the absence of the required funds in the Customer's account at the Bank, the Bank has the right to debit the required amount against the unused amount of a loan granted to the Customer by the Bank. The amount so debited by the Bank shall be accepted by the Bank as the Fixed Collateral in the form of cash established by the Customer.

Where the amount debited by the Bank is denominated in a currency other than PLN, the Bank shall convert this amount to PLN at the currency buy rate as per the table of exchange rates applied by the Bank at the time of such debiting.

6. Release of Fixed Collateral

The Fixed Collateral should be released by the Bank at the request of the Customer, provided that all obligations of the Customer towards the Bank under the Master Agreement and individual Transactions have expired. The Bank shall take any actions necessary for the effective

release of the Fixed Collateral immediately upon receipt of the Customer's request. The Fixed Collateral shall be released under the agreement based on which such Collateral was established.

Prior to the conclusion of any new Transaction, after the release of the Fixed Collateral, the Customer shall re-establish the Fixed Collateral required by the Bank. The funds arising from the release by the Bank of the Fixed Collateral (established in the form of cash) shall be paid into the Customer's Collateral Account.

If the Fixed Collateral in the form of cash has been established by way of charging by the Bank of the relevant amount to the unused amount of a loan granted to the Customer by the Bank, the Bank shall release such Fixed Collateral by counting its amount towards the repayment of the loan from which it was established, and if such loan has already been repaid – by crediting the amount to the Customer's Collateral Account.

§ 24. Variable Collateral

1. Commitment to Establish Variable Collateral

The Customer undertakes to establish – at the Bank's request, within two (2) Business Days of receiving such request – the Variable Collateral, should the Exposure calculated by the Bank exceed the Free Amount.

The commitment to establish the Variable Collateral arises if the Exposure exceeds the Free Amount by at least the Minimum Transfer Amount.

2. Sum of Transaction Valuations Exposure

The Bank shall calculate the sum of valuations for all Transactions on each Valuation Date. Once in each calendar month, the Bank shall provide the Customer with information on the sum of valuations as at the Valuation Date selected by the Bank.

Notwithstanding the above, where the sum of valuations indicates that an Exposure exists, the Bank shall provide the Customer with the information on the amount of the Exposure whenever it exceeds the Free Amount

3. Required Collateral Amount

The Required Collateral amount shall be equal to the amount of the Exposure decreased by the Free Amount and the amount of the Received Collateral.

The Bank has the right to call upon the Customer to establish the Required Collateral if the amount of such Collateral is equal to at least the Minimum Transfer Amount.

4. Commitment to Establish the Required Collateral

The Customer undertakes to establish, at the Bank's request, within two (2) Business Days of receiving such a request, the Required Collateral in favour of the Bank.

5. Time of Collateral Establishment

The Customer's commitment to establish the Required Collateral shall be deemed fulfilled upon crediting the Bank's Collateral Account with the required amount.

6. Failure to Establish Variable Collateral

In the case of failure by the Customer to establish the Variable Collateral, the Bank has the right, irrespective of the right to set an Early Termination Date in relation to all the Transactions, to debit first any of the Customer's accounts at the Bank with the amount necessary for the establishment of such Collateral.

In the absence of the required funds in the Customer's account at the Bank, the Bank has the right to debit the required amount against the unused amount of a loan granted to the Customer by the Bank. The amount so debited by the Bank shall be accepted by the Bank as the Variable Collateral established by the Customer.

Where the amount debited by the Bank is denominated in a currency other than PLN, the Bank shall convert this amount into PLN at the currency buy rate as per the table of exchange rates applied by the Bank at the time of such a currency conversion.

7. Variable Collateral Refund

If on the Valuation Date, the amount of the Received Collateral is higher than the amount of the Required Collateral, then the Bank within two (2) Business Days of such a Valuation Date, shall refund the Customer the amount by which the Received Collateral exceeds the Required Collateral. The refund shall be made in PLN.

The Bank is not obligated to make the refund if the amount of the Required Collateral exceeds the amount of the Received Collateral as at the day on which the Bank should make the refund.

The Bank is not obligated to make the refund if:

- 1) amount to be refunded is lower than the Minimum Transfer Amount,
- 2) the Required Collateral has not been established upon the Bank's request – until it is established in accordance with the request.

If the Variable Collateral has been established by way of charging by the Bank of the relevant amount to the unused amount of the loan granted to the Customer by the Bank, the Bank shall refund the surplus of the Received Collateral over the Required Collateral by counting its amount towards the repayment of the loan from which the Variable Collateral was established, and if such loan has already been repaid – by crediting such amount to the Customer's Collateral Account.

§ 25. Dispute Early Detection and Solution Procedure

1. Complaints and Filing Time Limits

Any discrepancy between the Transaction Terms and the content of the Confirmation received should be reported by the Customer to the Bank:

- 1) on the Confirmation receipt date - if the Settlement Date falls within up to two (2) Business Days of the Conclusion Date;
- 2) within the period no longer than two (2) Business Days of its receipt day, if the Settlement Date falls within the period longer than two (2) Business Days of the Conclusion Date.

When the Customer raises no objections against the Confirmation within the above time limits, it shall be understood that the Transaction Confirmation has been accepted as compliant with the content of the Transaction concluded.

In the event the Customer disagrees with the information received from the Bank presenting the sum of Transaction valuations as at a specific Valuation Date or with the amount of the Exposure as at that day computed by the Bank, the Customer has the right to lodge a complaint within five (5) Business Days of the receipt of the aforesaid information from the Bank. When no objections to the information received are raised within the above-mentioned time limits it is considered equivalent to finding them correct and binding.

In the event the Customer disagrees with the calculations received from the Bank regarding the Collateral value, the Customer has the right to lodge a complaint within five (5) Business Days of the date of receipt of the aforesaid information from the Bank. When no objections to the information received are raised within the above-mentioned time limits it is considered equivalent to finding them correct and binding.

Any inconsistencies regarding circumstances other than the ones indicated above, should be reported by the Customer to the Bank within five (5) Business Days of their identification or of the moment when, acting with due care, the Customer could identify them at the earliest time possible. When no objections are raised within the above-mentioned time limits it is considered equivalent to finding such circumstances correct and binding.

Lodging a complaint by the Customer does not release the Customer from the performance of obligations arising under the Transaction Terms, Master Agreement, Agreement on Collateral and the Regulations, which such a complaint refers to.

2. Filing Complaints

Complaints may be filed by the Customer:

- 1) in writing - in person at the Bank's branch or by mail to the address of the Bank's branch or the Bank's registered office,
- 2) verbally - over the phone by calling:

- a) 801 321 123 - for calls from fixed line telephones (a call charge according to operator's price list),
- b) +48 22 134 00 00 - for calls from mobile networks and from abroad (a call charge according to operator's price list),

or personally reported at the Bank's branch or the Bank's registered office,

- 3) by electronic means - via electronic banking systems or using a complaint form at the Bank's website: www.bgzbnpparibas.pl.

Full contact details of the Bank's branches and registered office are provided at the above-mentioned website and in the Bank's branches.

Complaints shall include all the information that might help process them, likewise copies of the documents which refer to an action being the subject of the complaint and shall specify the grounds for complaint filing.

At the Bank's request, the Customer shall provide additional information or documents if, in the Bank's opinion, such information or documents are essential to handle the complaint.

The Bank maintains a register of complaints lodged, recording there in particular the Customer's name, duration of the dispute since the moment of lodging the complaint by the Customer until the date of closing the dispute, type of the Transaction and the amount complained about.

3. Complaint consideration date

The Bank considers complaints and provides a reply within the following time limits:

- 1) complaints regarding inconsistency of the Transaction Terms with the Confirmation received - within two (2) Business Days. In the event the Customer's complaint is accepted, the Confirmation content shall be changed accordingly, depending on the results of analysis of objections raised by the Customer. The provisions of § 11 shall apply accordingly to a new Confirmation received,
- 2) complaints regarding inaccuracy of the sum of Transaction pricing as at a Pricing Date or the Exposure amount calculated by the Bank as at the said date, or calculations regarding the Collateral value - no later than on the 5th (fifth) Business Day of the receipt of the complaint by the Bank,
- 3) other complaints - promptly, yet not later than within thirty (30) days of its receipt. In particularly complex cases that prevent the Bank from resolving the complaint within the above time frames, in the information delivered to the Customer, the Bank explains the reasons for the delay, specifies the circumstances that need clarification and sets a time scale for solving the complaint that may not exceed sixty (60) days of the complaint receipt.

4. Unfeasibility of complaint consideration

In the event it is infeasible to resolve a complaint as it is necessary to obtain additional information or documents for this purpose, also from institutions involved in execution or settlement of the Transaction the complaint refers to, despite uncompleted complaint procedure, the Bank shall conditionally credit the Customer's Settlement Account with the Transaction amount subject to the complaint. If any complaint proves to be unjustified, the Bank shall debit the Customer's Settlement Account with the conditional crediting amount.

5. Notifying the Customer of the Complaint Procedure Progress and Outcome

The Bank may reply to the Customer's complaint on paper or another read-only data carrier (including e-mail) to the Customer's address specified in the Master Agreement.

6. Conduct after Complaint Procedure End

In cases when the Customer disagrees with the manner of handling a complaint by the Bank, the Customer should immediately notify the Bank about it in writing. In such a situation, the Bank and the Customer will undertake, in good faith, activities and negotiations aimed at an amicable solution of the dispute concerned, within five (5) days of the dispute date. The failure to solve the existing dispute by the Parties in an amicable manner within that period puts an end to an early dispute detection and solution process.

In the event that the existing dispute refers to the amount of calculations made by the Bank and it will not be solved amicably in this manner, then the Bank will apply to the entity which would be the Calculation Agent in a situation when the Party eligible for its assignment was the Bank, to verify the correctness of the calculations made by the Bank. In the event the Calculation Agent's reply points to errors in calculations performed by the Bank, the Bank shall immediately make necessary corrections that will take into account the Calculation Agent's standpoint. The Calculation Agent's reply in this respect ends the early dispute detection and solution process between the Parties.

7. **Other Provisions** The Bank's complaint procedure does not exclude the Customer's claims arising from the law provisions applicable to the Master Agreement.

§ 26. Orders Execution Policy

The Bank applies the "Policy of executing the orders of the Customer of the Global Markets Line of Bank BGZ

BNP Paribas S.A. ("the Policy") with respect to conclusion of Derivative Instrument Transactions with the Customer, to the extent that the Policy is applicable to the Customer. The Policy is included in the following document: "Information package for the Customer of the Global Markets Line at Bank BGŻ BNP Paribas S.A."

Conclusion of Transactions covered by the Policy is tantamount to expressing consent by the Customer to apply the Policy to him/her.

The Customer agrees that any changes of the Policy changes are may have been made available to him/her via the Internet website by introducing relevant changes to the document: "Information package for the Customer of the Global Markets Line at Bank BGŻ BNP Paribas SA.". The Customer will receive respective information on the Policy changes via e-mail.

Conclusion of a Derivative Instrument Transaction covered by the revised Policy will be considered as acceptance of the respective amendment to the Policy.

The Customer acknowledges and agrees to enter into Derivative Instrument Transactions outside the trading system.

§ 27. Amendments to the Regulations

1. Reasons for the Regulations amendment

The Bank may unilaterally amend the Regulations for significant reasons including in particular:

- 1) the new functional, organisational or technical solutions introduced by the Bank,
- 2) introduction of new banking products by the Bank,
- 3) enhancements of the Bank's information system the Bank uses to provide services specified in the Regulations,
- 4) changes in the scope, manner and form of providing services specified in the Regulations,
- 5) changes in the Bank's financial policy,
- 6) changes in applicable law provisions.

2. Notification of the Regulations Amendment

Notification of the Regulations amendment will be forwarded to the Customer in the form of a durable medium.

3. Application scope of the amended Regulations

The amended Regulations are applicable to the Transactions concluded:

- 1) on or after the date on which they enter into force;
- 2) prior to the date on which they enter into force, however, insofar as their provisions regulate the issues that arise in relation to the Transactions, on or after the date, on which they enter into force.

4. Termination of the Master Agreement in the Event of Amendments to the Regulations

Amendments to the Regulations are binding, if the Customer, within fourteen (14) days from the date of receiving notification of amendments to the Regulations, has not terminated the Master Agreement (with one-month notice period), or if s/he submitted a statement on acceptance of the amendments to the Regulations prior to expiration of that period.

Conclusion of a Transaction by the Customer on or after the date of entry into force of amendments to the Regulations, and prior to the expiry of the above notice period, means acceptance by the Customer of the amendments to the Regulations.

If until the date of the Master Agreement dissolution as a result of the Customer's notice of termination, any payment obligations under the concluded Transactions are not fulfilled - the notice period of termination shall be extended and the Master Agreement shall be terminated upon fulfilment by the Parties of all payment obligations arising from the concluded Transactions. Until this point, all the provisions of the Regulations and the Agreement on Collateral shall remain in force in relation to the Transactions and Collateral.

§ 28. Termination of the Master Agreement.

The Master Agreement may be terminated:

- 1) if the Parties have not entered into Transactions or fulfilled all performances arising from the Transactions - by either Party upon one month's written notice, or
- 2) by mutual agreement of the Parties.

§ 29. Generic advice

1. Providing generic advice

The Bank, as part of cooperation under the Master Agreement, may provide generic advice to the Customer, as mentioned in the Ordinance, hereinafter referred to as the "advice". Advice is provided based on the current market situation, yet, it does not constitute the recommendation regarding the specific Derivative Instrument. When providing the advice, the Bank acts in the best interest of the Customer.

2. Form of providing advice

Advice is given orally or in writing.

3. Scope of advice

In particular, the advice refers to:

- 1) providing detailed information about the risks and characteristics of particular types of Derivative Transactions,
- 2) providing information on the financial leverage effect at the conclusion of the Derivative Transactions,
- 3) presenting information of analytical and prognostic nature, which is public, e.g. market forecasts prepared by the Bank, BNP Paribas and other entities (NBP, the Ministry of Finance, the central banks of the Member States of the European Union and other international financial institutions).

§ 30. Final provisions

1. The Bank's liability

For non-performance or improper performance of obligations arising under the Master Agreement and Transactions concluded hereunder, the Bank shall be liable only for the actual damage inflicted on the Customer. The Bank shall not be liable for any lost opportunity.

The Bank shall not be held liable for any damage suffered by the Customer as a result of the Customer's inability to contact the Bank by phone, facsimile or electronic means due to overload or breakdown of telecommunications or IT cables. Within limits determined in this section, the Bank shall not be held liable for any damage resulting from the circumstances beyond the Bank's control, in particular such as:

- 1) defective operation of power supply systems, telecommunications or IT systems owned by external suppliers or operators,
- 2) consequences of decisions made by public authorities,
- 3) consequences of force majeure understood in particular as disaster, war, terrorist attack, strike, riots.

2. Assignment of rights

The Customer may not assign its receivables arising under any Transaction without the Bank's prior written consent.

3. Costs incurred by the Customer in connection with Transactions - included in the Transactions' price

With regard to the Transactions concluded with the Bank, the Customer shall bear the costs (margin) included in the price of the Transactions, depending in particular on:

- 1) Transactions Terms (e.g. volume, currencies / interest rates / commodities, duration, complexity);
- 2) volatility of market prices (cost of hedging market risk by the Bank); exchange rates, interest rates, commodity prices - likewise other market factors - fluctuate depending on the overall macroeconomic situation of the economy, and are subject to changes resulting from the conduct of the money market participants. Expectations of other market participants, the policy they apply and arbitration (speculative) transactions they conclude may have a material impact on the level and fluctuation of financial instrument prices, and therefore on the Transaction price offered to the Customer by the Bank.
- 3) availability of prices on the market (the Bank's liquidity cost) - cost incurred by the Bank connected with either no possibility or a limited possibility of trading in a financial instrument that cannot be purchased or sold at any time, or that the transaction exercise price significantly differs from the price that could be obtained in a fully liquid market;
- 4) counterparty risk - the risk incurred by the Bank that the Customer with which the Transaction was concluded, will not be able / will fail to fulfil its obligations towards the Bank.

The Bank, depending on a Transaction type, applies the following levels of margins included in the price of a given Transaction:

a) Forward Transactions/ NDF Transactions/ Currency Swap Transactions:

- maximum 3.5% of the Notional Amount - in a Transaction with the Settlement Date up to one (1) year, and
- additionally, maximum 1% of the Notional Amount for each commenced year of the Transaction.

Amounts of maximum margins for the above Transactions, for an exemplary Notional Amount of EUR 100,000 and Settlement Dates falling respectively up to one (1) year and up to two (2) years from the Conclusion Date - are specified in the table below:

Settlement Date	Maximum margin
up to one (1) year	EUR 3,500
up to two (2) years	EUR 4,500

b) FX Options, (including strategies built on the basis of FX Options):

- maximum 3.5% of the Notional Amount - for a Transaction with the Expiry Date up to one (1) year, and
- additionally, maximum 1% of the Notional Amount for each commenced year of the Transaction,

c) IRS Transactions, CIRS Transactions - maximum one (1) percentage point included in the value of the Customer Reference Rate or the Bank Reference Rate

d) Interest Rate Options (including strategies built on the basis of Interest Rate Options):

- maximum 3.5% of the Notional Amount - for a Transaction with the Expiry Date up to one (1) year, and
- additionally, maximum 1% of the Notional Amount for each commenced year of the Transaction.

e) Commodity Swaps:

- maximum 3.5% of the Fixed Price or the Floating Price - for a Transaction with the Payment Settlement Date up to one (1) year, and
- additionally, maximum 1% of the Fixed Price or the Floating Price for each commenced year of the Transaction.

4. Costs incurred by the Customer in connection with Transactions - not included in the Transactions' price

For maintenance of the Transactions, the Bank may charge the Customer's account with fees and commissions other than those referred to in item 3 above - according to the table of commissions and fees applicable at the Bank. At the conclusion of the Master Agreement, the Customer receives a written information about the currently applicable fees and commissions, provided that such fees or commissions are charged.

5. Bank Guarantee Fund

The Customer's receivables due from the Bank, arising under the Master Agreement or Transactions concluded thereunder, are not secured by the mandatory deposit guarantee system, established under the Act of 10 June 2016 on the Bank Guarantee Fund, deposit guarantee system and compulsory restructuring (Journal of Laws of 2016, item 996, as amended).

Transaction Descriptions

Any expressions used in these Transaction Descriptions have the meaning assigned to them in the Regulations and the Master Agreement, unless otherwise stipulated herein. Polish terms used in the Transaction Descriptions (in italics in brackets) shall have the same meaning as the terms in English and may be used interchangeably. The Transaction Descriptions shall make an integral part of the Regulations.

Option Transactions

Article 1. Definitions

I. Definitions related to Currency Options

In respect of Currency Option Transactions, the terms used below shall mean:

Barrier	a requirement that conditions activation or expiry of the Buyer's right to exercise an Option;
Fixing Date	a Business Day agreed upon in the Transaction Terms, when a Reference Exchange Rate or Strike Price is observed.
Premium Payment Date	a Business Day determined in the Transaction Terms when the Premium is paid.
Expiry Date	a Business Day agreed upon in the Transaction Terms, on or until which the Buyer may exercise its rights arising under an Option Transaction.
Settlement Date	a Business Day agreed upon in the Transaction Terms when the mutual settlement between the Parties under the Transaction takes place.
Cut-Off Time	the hour defined as such in the place agreed upon in the Transaction Terms.
Buyer/Seller	depending on the circumstances, the Bank or the Customer.
Strike Rate	the exchange rate of the Currency determined in the Transaction Terms, and quoted in the Settlement Currency units, at which the Buyer may exercise its rights arising under the Option Transaction concluded.
Reference Exchange Rate	a relevant exchange rate for the pair of currencies which is the subject of the Option Transaction, determined either by the central bank or by another entity on the Expiry Date at the Cut-Off Time. The type of the Reference Exchange Rate is agreed by the Parties in the Transaction Terms.
Barrier Reference Rate	a relevant exchange rate for the pair of currencies which is the subject of the Option Transaction, determined either by the central bank or by another entity in the Barrier Period. The type of the Reference Exchange Rate is agreed by the Parties in the Transaction Terms.
Settlement Amount	the amount payable by the Party in favour of the other Party as a result of the Transaction execution, determined pursuant to the agreement regulating a given Transaction.
Notional Amount	an amount defined in the Transaction Terms, denominated in the Currency, to the purchase or sale of which the Buyer is entitled.
Barrier Period	time span agreed upon in Transaction Terms.
Transaction Description	this Option Transaction Description.
Barrier Level	the foreign exchange rate agreed upon in the Transaction Terms.
Premium	the price for entering into a Transaction, which the Buyer is obliged to pay to the Seller on the Premium Payment Date.
Transaction, Option Transaction or Option	shall mean a Call Option, Put Option, or other Transaction type of a similar nature, agreed upon by and between the Parties.
Currency	the currency in which the Notional Amount is denominated.
Settlement Currency	the currency in which the Settlement Amount is denominated, determined in the Transaction Terms.

II. Definitions related to Interest Rate Options

In respect of Interest Rate Option Transactions, the terms used below shall mean:

Barrier	a requirement that conditions activation or expiry of the Buyer's right to exercise an Option.
Premium Payment Date	a Business Day determined in the Transaction Terms when the Premium is paid.
Expiry Date	a Business Day agreed upon in the Transaction Terms, on which the Buyer may exercise its rights arising under a Transaction.
Settlement Date	the last Business Day of each Interest Period on which the Settlement Amount is paid.
Effective Date	in respect of a Transaction: 1) with a single Interest Period – the first Business Day of the Interest Period; and 2) with multiple Interest Periods – the first Business Day of the first Interest Period, defined in the Transaction Terms.
Termination Date	in respect of a Transaction: 1) with a single Interest Period – the last Business Day of the Interest Period; and 2) with multiple Interest Periods – the last Business Day of the last Interest Period, defined in the Transaction Terms.
Buyer/Seller	depending on the circumstances, the Bank or the Customer.
Notional Amount	an amount defined in the Transaction Terms and denominated in the Currency, on which interest is charged in the Interest Period at the Strike Rate.
Settlement Amount	the amount payable by the Party in favour of the other Party as a result of the Transaction execution, determined pursuant to the agreement regulating a given Transaction.
Barrier Period	time span agreed upon in Transaction Terms.
Interest Period	each period of time, defined in the Transaction Terms, for which interest is accrued on the Notional Amount at the Strike Rate and at the Reference Rate, with the first Interest Period starting on the Effective Date and the last Interest Period ending on the Termination Date; for Transactions with a single Interest Period, such Interest Period shall start on the Effective Date and end on the Termination Date.
Transaction Description	this Option Transaction Description.
Barrier Level	the interest rate agreed in the Transaction Terms.
Premium	the price for entering into a Transaction, which the Buyer is obliged to pay to the Seller on the Premium Payment Date.
Strike Rate	an interest rate defined in the Transaction Terms, at which interest is accrued on the Notional Amount for a given Interest Period.
Reference Rate	an interest rate indicated in the Transaction Terms (WIBOR, LIBOR or EURIBOR), announced on dates agreed upon in the Transaction Terms (" Fixing Date "), at which interest on the Notional Amount is accrued.
Barrier Reference Rate	an interest rate indicated in the Transaction Terms (WIBOR, LIBOR or EURIBOR), announced on dates agreed upon in the Transaction Terms.
Transaction, Option Transaction or Option	shall mean a Cap Interest Rate Option or Floor Interest Rate Option, or other Transaction type of a similar nature, agreed upon by and between the Parties.
Currency	the currency in which the Notional Amount is denominated.

§2. Option Transaction Descriptions

I. Transaction Descriptions related to Currency Option Transactions

- Call Option (*Opcja Kupna* or *Opcja Call*).** Through the conclusion of a Call Option, the Option Buyer acquires the right to purchase on the Expiry Date from the Seller, and the Seller, should the Buyer exercise his right, undertakes to sell on that day to the Buyer the Notional Amount for the Settlement Amount representing its equivalent in the Settlement Currency computed in accordance with the Strike Rate. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date. Mutual settlement of the Parties on account of the Transaction execution shall be made on the Settlement Date.

The Parties may agree upon in the Transaction Terms that the Transaction shall be exercised through a net settlement. In this case, should the Strike Rate be equal to or higher than the Reference Exchange Rate, the Seller is under no obligation to make any payments towards the settlement of the Transaction; however, should the Strike Rate on the Expiry Date be lower than the Reference Exchange Rate, the Seller shall pay the Buyer, on the Settlement Day, the Settlement Amount representing the product of: the Notional Amount and the difference between the Reference Rate and the Strike Rate.

2. **Knock-In Call Option (Opcja Kupna or Opcja Call; z Barięą aktywujęcą).** Through the conclusion of a Knock-In Call Option, the Buyer acquires the right to exercise a Call Option and the Seller, if the Buyer uses its right, shall exercise a Call Option on the condition that in the Barrier Period, the Barrier Reference Exchange Rate reaches or exceeds the Barrier Level. When the above-mentioned condition fails to be met, the Call Option expires and neither of the Parties is obliged to make any further payments thereunder. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date.
3. **Double Knock-In Call Option (Opcja Kupna or Opcja Call z dwiema Barięrami aktywujęcymi).** Through the conclusion of a Double Knock-In Call Option, the Buyer acquires the right to exercise a Call Option and the Seller, if the Buyer uses its right, shall exercise a Call Option on the condition that in the Barrier Period, the Barrier Reference Exchange Rate reaches or exceeds at least one of the two Barrier Levels. When the above-mentioned condition fails to be met, the Call Option expires and neither of the Parties is obliged to make any further payments on its account. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date.
4. **Knock-Out Call Option (Opcja Kupna or Opcja Call; z Barięą dezaktywujęcą).** Through the conclusion of a Knock-Out Call Option, the Buyer acquires the right to exercise a Call Option and the Seller, if the Buyer uses its right, shall execute Call Option on the condition that in the Barrier Period, the Barrier Reference Exchange Rate neither reaches nor exceeds the Barrier Level. When the above-mentioned condition fails to be met, the Call Option expires and neither of the Parties is obliged to make any further payments thereunder. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date.
5. **Double Knock-Out Call Option (Opcja Kupna or Opcja Call z dwiema Barięrami dezaktywujęcymi).** Through the conclusion of a Double Knock-Out Call Option, the Buyer acquires the right to exercise a Call Option and the Seller, if the Buyer uses its right, shall exercise a Call Option on the condition that in the Barrier Period, the Barrier Reference Exchange Rate neither reaches nor exceeds any of the two Barrier Levels. When the above-mentioned condition fails to be met, the Call Option expires and neither of the Parties is obliged to make any further payments thereunder. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date.
6. **Put Option (Opcja Sprzedaży or Opcja Put).** Through the conclusion of a Put Option, the Buyer acquires the right to sell on the Expiry Date to the Seller, and the Seller, should the Buyer exercise its right, undertakes to purchase on the same day from the Buyer the Notional Amount for the Settlement Amount representing its equivalent in the Settlement Currency computed in accordance with the Strike Rate. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date. Mutual settlement of the Parties on account of the Transaction execution shall be made on the Settlement Date.

The Parties may agree upon in the Transaction Terms that the Transaction shall be exercised through a net settlement. In this case, should the Strike Rate be equal to or lower than the Reference Exchange Rate, the Seller is under no obligation to make any payments towards the settlement of the Transaction; however, should the Strike Rate on the Expiry Date be higher than the Reference Exchange Rate, the Seller shall pay the Buyer, on the Settlement Day, the Settlement Amount representing the product of: Notional Amount, and the difference between the Strike Rate and Reference Exchange Rate.

7. **Knock-In Put Option (Opcja Sprzedaży, Opcja Put, Barięra Knock-In).** Through the conclusion of a Knock-In Put Option, the Buyer acquires the right to exercise a Put Option and the Seller, if the Buyer uses its right, shall exercise Put Option on the condition that in the Barrier Period, the Barrier Reference Exchange Rate reaches or exceeds the Barrier Level. When the above-mentioned condition fails to be met, the Put Option expires and neither of the Parties is obliged to make any further payments on its account. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date.
8. **Double Knock-In Put Option (Opcja Sprzedaży or Opcja Put, Barięra Double Knock-In).** Through the conclusion of a Double Knock-In Put Option, the Buyer acquires the right to exercise a Put Option and the Seller, if the Buyer uses its right, shall exercise a Put Option on the condition that in the Barrier Period, the Barrier Reference Exchange Rate reaches or exceeds at least one of the two Barrier Levels. When the above-mentioned condition fails to be met, the Put Option expires and neither of the Parties is obliged to make any further payments on its account. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date.
9. **Knock-Out Put Option (Opcja Sprzedaży or Opcja Put z Barięą dezaktywujęcą or Barięra Knock-Out).** Through the conclusion of a Knock-Out Put Option, the Buyer acquires the right to exercise a Put Option and the Seller, if the Buyer uses its right, shall exercise a Put Option on the condition that in the Barrier Period, the Barrier Reference Exchange Rate neither reaches nor exceeds the Barrier Level. When the above-mentioned condition fails to be met, the Put Option expires and neither of the Parties is obliged to make any further payments on its account. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date.
10. **Double Knock-Out Put Option (Opcja Sprzedaży or Opcja Put z dwiema Barięrami dezaktywujęcymi or Double Barięra Knock-Out).** Through the conclusion of a Double Knock-Out Put Option, the Buyer acquires the right to exercise a Put Option and the Seller, if the Buyer uses its right, shall exercise a Put Option on the condition that in the Barrier Period, the Barrier Reference Exchange Rate neither reaches nor exceeds any of the two Barrier Levels. When the above-mentioned condition fails to be met, the Put Option expires and neither of the Parties is obliged to make any further payments on its account. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date.
11. **Inability to determine the Reference Exchange Rate or Barrier Reference Exchange Rate.** In the event the Bank is unable to determine the Reference Rate or Barrier Reference Rate in the manner defined in the Transaction Terms due to unavailability of appropriate data for reasons beyond the Bank's control, the Bank and the Customer shall agree upon another basis for determination of the Reference Rate or Barrier Reference Rate. If, however, the Bank and the Customer fail to agree on such a basis, the Bank shall, independently and in good faith, designate the basis for determining the Reference Rate or Barrier Reference Rate, using the data regarding transactions concluded on the interbank market.
12. **Premium netting.** In the event the Bank and the Customer have mutual obligations to pay a Premium to each other on account of different Option Transactions concluded and such Premiums are payable on the same Premium Payment Date and in the same currency, the Premiums can be paid through a netting of the Bank's obligations against the Customer's obligations on this account up to the lower of the amounts; furthermore, the Party whose Premium payment obligation is higher shall pay the other Party the excess amount over the amounts compensated in this manner.
13. **Reaching the Barrier Level by the Barrier Reference Exchange Rate** The Bank shall inform the Customer that the Barrier Reference Exchange Rate has reached the Barrier Level in the Barrier Period by providing the Customer with a relevant notification. If the Transaction Terms for the Transactions in which at least one Barrier has been agreed upon, provide that the Barrier Period is identical with the Expiry Date, the Bank will not notify the Customer about either reaching or exceeding the Barrier Level by the Barrier Reference Exchange Rate. In such a case, if the Buyer uses its right to exercise the Option, the Bank will provide the Customer with a confirmation of the Option exercise.

II. Description of Transactions on Interest Rate Options

1. **Cap Option (Opcja Na Stopę Procentowęcą Cap or Opcja Cap).** Through the conclusion of a Cap Option, the Buyer acquires the right to claim, and, should the Buyer exercise its right, the Seller undertakes to transfer to the Buyer on each Settlement Date the interest calculated in a given Interest Rate Period on the Notional Amount at the Reference Rate determined for that Interest Period, in exchange for the interest charged in that Interest Period on the Notional Amount at the Strike Rate. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date. The Parties may agree on one or more Interest Periods.

The Cap Option is settled in the Transaction Currency exclusively with the difference between the Reference Rate and the Strike Rate multiplied by the Notional Amount, in such a manner that, should the Reference Rate determined for a given Interest Period be higher than the Strike Rate, the Seller shall pay the Buyer, on the Settlement Day, the Settlement Amount representing the product of the Notional Amount and the difference between the Reference Rate and the Strike Rate. Should the Reference Rate be lower than or equal to the Strike Rate, the Seller is under no obligation to make any payments towards the settlement of that Transaction.

2. **Knock-In Cap Option (Opcja Na Stopę Procentowęcą or Opcja Cap; Barięra Knock-In).** Through the conclusion of a Knock-In Cap Option, the Buyer acquires the right to exercise a Cap Option and the Seller, if the Buyer uses its right, shall exercise Cap Option on the condition that in the Barrier Period, the Barrier Reference Rate reaches or exceeds the Barrier Level. When the above-mentioned condition fails to be met, the Cap Option expires and neither of the Parties is obliged to make any further payments on its account. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date.
3. **Double Knock-In Cap Option (Opcja Na Stopę Procentowęcą or Opcja Cap z dwiema Barięrami aktywujęcymi or Barięra Double Knock-In).** Through the conclusion of a Double Knock-In Cap Option, the Buyer acquires the right to exercise a Cap Option and the Seller, if the Buyer uses its right, shall exercise Cap Option on the condition that in the Barrier Period, the Barrier Reference Rate reaches or exceeds at least one of the two Barrier Levels. When the above-mentioned condition fails to be met, the Cap Option expires and neither of the Parties is obliged to make any further payments on its account. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date.
4. **Knock-Out Cap Option (Opcja Na Stopę Procentowęcą or Opcja Cap z Barięą dezaktywujęcą or Barięra Knock-Out).** Through the conclusion of a Knock-Out Cap Option, the Buyer acquires the right to exercise a Cap Option and the Seller, if the Buyer uses its right, shall exercise Cap Option on the condition that in the Barrier Period, the Barrier Reference Rate neither reaches nor exceeds the Barrier Level. When the above-mentioned condition fails to be met, the Cap Option expires and neither of the Parties is obliged to make any further payments on its account. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date.
5. **Double Knock-Out Cap Option (Opcja Na Stopę Procentowęcą or Opcja Cap z dwiema Barięrami dezaktywujęcymi or Double Barięra Knock-Out).** Through the conclusion of a Double Knock-Out Cap Option, the Buyer acquires the right to exercise a Cap Option and the Seller, if the Buyer uses its right, shall exercise Cap Option on the condition that in the Barrier Period, the Barrier Reference Rate neither reaches nor exceeds any of the two Barrier Levels. When the above-mentioned condition fails to be met, the Cap Option expires and neither of the Parties is obliged to make any further payments on its account. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date.
6. **Floor Option (Opcja Na Stopę Procentowęcą Floor or Opcja Floor).** Through the conclusion of an Interest Rate Floor Option, the Option Buyer acquires the right to claim, and the Option Seller undertakes, should the Option Buyer exercise the said right, to transfer to the Option Buyer on each Settlement Date the interest charged in a given Interest Period on the Notional Amount at the Strike Rate, in exchange for the interest charged in that Interest Period on the Notional Amount at the Reference Interest Rate determined for that Interest Period. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date. The Parties may agree on one or more Interest Periods.

The Floor Option is settled in the Transaction Currency exclusively with the difference between the Strike Rate and Reference Rate multiplied by the Notional Amount in such a manner that, should the Strike Rate be higher than the Reference Rate determined for a given Interest Period, the Seller shall pay the Buyer, on the Settlement Day, the Settlement Amount representing the product of the Notional Amount and the difference between the Strike Rate and the Reference Rate. Should the Strike Rate be lower than or equal to the Reference Rate, the Seller is under no obligation to make any payments towards the settlement of that Transaction.

7. **Knock-In Floor Option (Opcja Na Stopę Procentowęcą Floor or Opcja Floor z Barięą aktywujęcą or Barięra Knock-In).** Through the conclusion of a Knock-In Floor Option, the Buyer acquires the right to exercise a specified Floor Option and the Seller, if the Buyer uses its right, shall exercise Floor Option on the condition that in the Barrier Period, the Barrier

Reference Rate reaches or exceeds the Barrier Level. When the above-mentioned condition fails to be met, the Floor Option expires and neither of the Parties is obliged to make any further payments on its account. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date.

8. **Double Knock-In Floor Option** (*Opcja Na Stopę Procentową Floor z dwiema barierami aktywnymi* or *Opcja Floor* lub *Bariera Double Knock-In*). Through the conclusion of a Double Knock-In Floor Option, the Buyer acquires the right to exercise a Floor Option and the Seller, if the Buyer uses its right, shall exercise Floor Option on the condition that in the Barrier Period, the Barrier Reference Rate reaches or exceeds at least one of the two Barrier Levels. When the above-mentioned condition fails to be met, the Floor Option expires and neither of the Parties is obliged to make any further payments on its account. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date.
9. **Knock-Out Floor Option** (*Opcja Na Stopę Procentową Floor* or *Opcja Floor z Barierą dezaktywującą*). Through the conclusion of a Knock-Out Floor Option, the Buyer acquires the right to exercise a specified Floor Option and the Seller, if the Buyer uses its right, shall exercise Floor Option on the condition that in the Barrier Period, the Barrier Reference Rate neither reaches nor exceeds the Barrier Level. When the above-mentioned condition fails to be met, the Floor Option expires and neither of the Parties is obliged to make any further payments on its account. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date.
10. **Double Knock-Out Floor Option** (*Opcja Na Stopę Procentową Floor* or *Opcja Floor z dwiema Barierami dezaktywującymi* or *Double Bariera Knock-Out*). Through the conclusion of a Double Knock-Out Floor Option, the Buyer acquires the right to exercise a Floor Option and the Seller, if the Buyer uses its right, shall exercise a Floor Option on the condition that in the Barrier Period, the Barrier Reference Rate does neither reaches nor exceeds any of the two Barrier Levels. When the above-mentioned condition fails to be met, the Floor Option expires and neither of the Parties is obliged to make any further payments on its account. In exchange for the acquisition of the above right, the Buyer shall pay the Premium to the Seller on the Premium Payment Date.
11. **Inability to determine the Reference Rate or Barrier Reference Rate.** In the event the Bank is unable to determine the Reference Rate or Barrier Reference Rate in the manner defined in the Transaction Terms due to unavailability of appropriate data for reasons beyond the Bank's control, the Bank and the Customer shall agree upon another basis for determination of the Reference Rate or Barrier Reference Rate. If, however, the Bank and the Customer fail to agree on such a basis by the relevant Settlement Date, the Bank shall, independently and in good faith, designate the basis for determining the Reference Rate or Barrier Reference Rate, using the data available to the Bank.
12. **Premium netting.** In the event the Bank and the Customer have mutual obligations to pay a Premium to each other on account of different Option Transactions concluded and such Premiums are payable on the same Premium Payment Date and in the same currency, the Premiums can be paid through a netting of the Bank's obligations against the Customer's obligations on this account up to the lower of the amounts; furthermore, the Party whose Premium payment obligation is higher shall pay the other Party the excess amount over the amounts compensated in this manner.
13. **Reaching the Barrier Level by the Barrier Reference Exchange Rate** The Bank shall inform the Customer that the Barrier Reference Rate has reached the Barrier Level in the Barrier Period by forwarding a relevant notification to the Customer. If the Transaction Terms for the Transactions in which at least one Barrier has been agreed upon, provide that the Barrier Period is identical with the Expiry Date, the Bank will not notify the Customer about either reaching or exceeding the Barrier Level by the Barrier Reference Exchange Rate, and will provide the Customer with a confirmation of the Option exercise.

§3. Transaction Terms

1. **In order to enter into a Currency Option Transaction, the Parties shall, in each case, agree the essential Transaction Terms out of the following:**
 - 1) Option Type (*Rodzaj Opcji*);
 - 2) Option Seller (*Sprzedający Opcję*);
 - 3) Option Buyer (*Kupujący Opcję*);
 - 4) Notional Amount (*Kwota Transakcji*);
 - 5) Transaction Currency (*Waluta Transakcji*);
 - 6) Settlement Currency (*Waluta Rozliczenia*);
 - 7) Strike Rate (*Kurs Realizacji*);
 - 8) Reference Rate (*Kurs Referencyjny*) (with regard to net settlement Option Transactions);
 - 9) Premium (*Premia*);
 - 10) Premium Payment Date (*Dzień Płatności Premii*);
 - 11) Expiry Date (*Dzień Realizacji*);
 - 12) Settlement Date (*Dzień Rozliczenia*);

and in the case of Barrier Currency Option Transaction additionally also:

 - 13) Barrier Period(s) (*Okres(y) Obserwacji Bariery*);
 - 14) Barrier Level(s) (*Poziom(y) Bariery*);
 - 15) Barrier Reference Rate (*Kurs(y) Referencyjny Bariery*).
2. **In order to enter into an Interest Rate Option Transaction, the Parties shall, in each case, agree the essential Transaction Terms out of the following:**
 - 1) Option Type (*Rodzaj Opcji*);
 - 2) Option Seller (*Sprzedający Opcję*);
 - 3) Option Buyer (*Kupujący Opcję*);
 - 4) Notional Amount (*Kwota Bazowa*);
 - 5) Currency (*Waluta Transakcji*);
 - 6) Strike Rate (*Stopa Realizacji*);
 - 7) Reference Rate (*Stopa Referencyjna*);
 - 8) Interest Rate Period (*Okres Odsetkowy*);
 - 9) Number of Interest Rate Periods (*Liczba Okresów Odsetkowych*);
 - 10) Premium (*Premia*);
 - 11) Premium Payment Date (*Dzień Płatności Premii*);
 - 12) Expiry Date (*Dzień Realizacji*);
 - 13) Settlement Date (*Dzień Rozliczenia*);
 - 14) Effective Date (*Dzień Rozpoczęcia*);
 - 15) Termination Date (*Dzień Zakończenia*);

and in the case of Cap Barrier Option Transaction additionally also:

 - 16) Barrier Period(s) (*Okres(y) Obserwacji Bariery*);
 - 17) Barrier Level(s) (*Poziom(y) Bariery*);
 - 18) Barrier Reference Rate (*Stopę(y) Referencyjną Bariery*).

§4. Transaction Execution

1. **Transaction Execution.** Transactions are executed in the manner described below:
 - 1) If the Customer is the Buyer, then in order to exercise the Option, on the Expiry Date until the Cut-Off Time (if the cut-off-time is applicable), the Customer shall contact by telephone an employee authorised to conclude Transactions by calling the telephone number indicated by the Bank in the "List of the Bank's telephone numbers";
 - 2) If the Bank is the Option Buyer, the Option is exercised by the Bank automatically on the Expiry Date.

In the case the Option is exercised, the Bank shall send to the Customer on the Expiry Date, in the manner defined in the Customer Information Attachment or in another relevant document submitted by the Customer and previously accepted by the Bank, a Confirmation of the Option exercise.

Swap Transactions

§1. Definitions

I. Definitions related to IRS and CIRS Transactions

With respect to IRS and CIRS Transactions, the terms used below shall mean:

- Interest Payment Date** the last Business Day of a given Interest Period.
- Effective Date** the first Business Day of the first Interest Period, determined in the Transaction Terms.
- Termination Date** the last Business Day of the last Interest Period, determined in the Transaction Terms.

Reference Exchange Rate	a relevant exchange rate of a pair of currencies which is the subject of the CIRS Transaction, determined by the central bank or another entity on the Interest Payment Date or on other dates agreed upon in the Transaction Terms. The type of the Reference Exchange Rate is agreed by the Parties in the Transaction Terms.
Exchange Rate	the rate, defined in the Transaction Terms, at which a specified amount is exchanged into the Settlement Currency.
Notional Amount	the amount, determined in an IRS Transaction, on which interest is accrued that is the subject of the said Transaction.
Bank Notional Amount	the amount defined in the CIRS Transaction Terms that is the subject of the initial and final exchanges of Notional Amounts, or exclusively the final exchange, and on which interest, that is the subject of the said Transaction, is accrued at the Bank Reference Rate.
Customer's Notional Amount	the amount defined in the CIRS Transaction Terms that is the subject of the initial and final exchanges of Notional Amounts, or exclusively the final exchange, and on which interest, that is the subject of the said Transaction, is accrued at the Customer's Reference Rate.
Interest Difference Amount	a difference, expressed as an absolute amount, between: (i) the amount of interest accrued on the Notional Amount (or the Bank Notional Amount) at the Bank Reference Rate and (ii) the amount of interest accrued on the Notional Amount (or the Customer's Notional Amount) at the Customer's Reference Rate, denominated in the Settlement Currency, and for CIRS Transactions, additionally after the translation at the Reference Exchange Rate.
Interest Period	shall mean a period, in which interest is accrued on the Notional Amount at the Bank Reference Rate and the Customer Reference Rate, however, in the Transaction Terms the Parties may define separate Interest Periods for the Customer (" Customer Interest Period ") and separate for the Bank (" Bank Interest Period ");
Transaction Description	this Description of Swap Transactions.
Notional Amount Difference	shall mean a difference, expressed as an absolute amount, between: (i) the Bank's Notional Amount and (ii) the Customer's Notional Amount, denominated in the Settlement Currency, after the conversion at the Reference Exchange Rate.
Reference Interest Rate	a fixed interest rate agreed upon in the Transaction Terms or a variable interest rate determined in the Transaction Terms (WIBOR, LIBOR or EURIBOR), announced on dates agreed upon in the Transaction Terms (" Fixing Date "), at which interest on the Notional Amount (or the Bank's Notional Amount) is accrued.
Customer Reference Rate	a fixed interest rate agreed upon in the Transaction Terms or a variable interest rate determined in the Transaction Terms (WIBOR, LIBOR or EURIBOR), announced on dates agreed upon in the Transaction Terms (" Fixing Date "), at which interest on the Notional Amount (or the Customer's Notional Amount) is accrued.
Transaction	an IRS Transaction, CIRS Transaction or such other Transaction type as agreed from time to time by and between the Parties.
Settlement Currency	a currency, defined in an agreement governing a given Transaction, using which the payment of the following is made: (i) Interest Difference Amount or (ii) Notional Amount Difference and Interest Difference Amount.
II. Definitions related to Commodity Swaps	
In respect of Commodity Swap Transactions, the terms used below shall mean:	
Nearby Month	with respect to the Delivery Date and Pricing Date, in the event the "Nearby Month" term is preceded by the ordinal number name, the expiry month for a Futures Contract for the appropriate Commodity Reference Price, specified by the name of such ordinal number, e.g.: 1) First Nearby Month - expiry month of the first Futures Contract for the Commodity Reference Price, expiring after a given Pricing Date; 2) Second Nearby Month - expiry month of the second Futures Contract for the Commodity Reference Price, expiring after a given Pricing Date; or 3) Sixth Nearby Month - expiry month of the sixth Futures Contract for the Commodity Reference Price, expiring after a given Pricing Date.
Disappearance of Commodity Reference Price	permanent discontinuation of trading in a relevant Futures Contract at a relevant Stock Exchange; or lack of respective Commodity, or lack or permanent unavailability of the relevant Commodity Reference Price, irrespective of the availability of the Price Source or trading status for a relevant Forward Commodity Transaction or a Commodity.
Fixed Price	with respect to the Settlement Date, the Commodity price for a relevant Unit, denominated in the Transaction Currency, defined by the Parties in the Transaction Terms for the respective Settlement Date, which serves as the basis for calculation of the Settlement Payment Amount for this Settlement Payment Date.
Floating Price	with respect to the Settlement Payment Date, the price for a relevant Unit for the appropriate Calculation Period which shall be - if for the Calculation Period or Settlement Payment Date, the Parties have determined in the Transaction Terms: 1) one Pricing Date – Relevant Price for the Pricing Date, or 2) more than one Pricing Date - unweighted by the arithmetic mean of the Relevant Price for each of the determined Pricing Dates, based on which the Settlement Payment Amount shall be calculated for the Settlement Payment Date.
Delivery Date	with respect to the Commodity Reference Price, which contains the reference to the Delivery Date - a relevant month and year or month of the Commodity delivery (which shall be disclosed or possible to determine based on the information contained in the Price Source or determined by the Price Source), whereas, in the event the Parties have stipulated in the Transaction Terms: 1) month and year – the Delivery Date shall fall in this month and year; or 2) Nearby Month – the Delivery Date shall be the expiry date for the relevant Futures Contract.
Calculation Date	with respect to the Settlement Date, shall be the date falling on the first Business Day when it is possible to calculate the Settlement Payment Amount in relation to such Settlement Payment Date, yet not later than on a Business Day directly preceding the Payment Settlement Date (unless the preceding Business Day falls on the Pricing Date, in such case, no later than the last day allowing for paying on the Settlement Payment Date the Settlement Amount whose due date falls on the Settlement Payment Date).
Settlement Payment Date	each date defined as such by the Parties in the Transaction Terms.
Effective Date	each date defined as such by the Parties in the Transaction Terms.
Pricing Date	each date defined as such by the Parties in the Transaction Terms, in respect of which the Bank determines the Relevant Price for the purpose of setting the Floating Price; nevertheless, should the Pricing Date fall on a day which is the Commodity Business Day, it shall be assumed that this date falls on the nearest subsequent Commodity Business Day (provided that such day does not fall in the next calendar month) or Commodity Business Day directly preceding the pre-agreed date (in other cases).
Termination Date	each date defined as such by the Parties in the Transaction Terms.
Stock Exchange	a stock exchange or a market where the Commodity is traded, determined in the Commodity Reference Price.
Notional Quantity per Calculation Period	the Commodity quantity for a relevant Calculation Period expressed in the Units, based on which the Fixed Amount and Floating Amount per Calculation Period are calculated. Notional Quantity per the Calculation Period may differ for each of the Calculation Periods determined by the Parties.
Material Change in Content	occurrence, from the Conclusion Date, of a change in the composition of the Commodity or appropriate Futures Contract, deemed material by the Bank.
Material Change in Formula	occurrence, from the Conclusion Date, of a change in the formula or manner of calculating the appropriate Commodity Reference Price.
Unit	a measure unit for a Commodity determined by the Parties in the appropriate Commodity Reference Price.
Settlement Payment Amount	for a given Settlement Payment Date, the amount of the pecuniary obligation either of the Customer towards the Bank or the Bank towards the Customer, denominated in the Transaction Currency and equal to the absolute value of the difference between the Fixed Amount as at the Settlement Payment Date and Floating Amount for the respective Settlement Payment Date.
Fixed Amount	for a given Settlement Payment Date, the amount equal to the product of the Notional Quantity per Calculation Period for the relevant Settlement Payment Date and Fixed Price for the relevant Settlement Payment Date.
Floating Amount	for a given Settlement Payment Date, the amount equal to the product of the Notional Quantity per Calculation Period for the relevant Settlement Payment Date and Floating Price for the relevant Settlement Payment Date.
Maximum Days of	

Disruption	five successive Commodity Business Days.
Precious Metal	gold, silver and platinum in the form of bullions, plates or unallocated metals, consistent with the standards set by the London Bullion Market Association (LBMA) or its successor or the London Platinum and Palladium Market (LPPM) or its successor, in respect of proper delivery and alloys (if applicable), adhered to at a given time.
Relevant Price	with respect to the Pricing Date, the price for the Unit that shall be the Commodity Reference Price on a given Pricing Date, set forth based on the Transaction Description and Transaction Terms agreed by the Parties.
Specified Price	with respect to the Commodity Reference Price, one of the following prices (that shall be specified by the appropriate Price Source or that shall be set based on the information provided by the appropriate Price Source), determined by the Parties in the Transaction Terms: <ul style="list-style-type: none"> 1) the high price (<i>cena maksymalna</i>); 2) the low price (<i>cena minimalna</i>); 3) the average of the high price and the low price (<i>średnia ceny maksymalnej i ceny minimalnej</i>); 4) the closing price (<i>cena zamknięcia</i>); 5) the opening price (<i>cena otwarcia</i>); 6) the bid price - (<i>cena kupna</i>); 7) the asked price (<i>cena sprzedaży</i>); 8) the average of the bid price and the asked price (<i>średnia ceny kupna i ceny sprzedaży</i>); 9) the settlement price (<i>cena rozliczenia</i>); 10) the official settlement price (<i>oficjalna cena rozliczenia</i>); 11) the official price (<i>cena oficjalna</i>); 12) the morning fixing (<i>poranny fixing</i>); 13) the afternoon fixing (<i>popołudniowy fixing</i>); 14) the spot price (<i>cena spot</i>); with the specification of the hour, if a given Commodity Reference Price requires such specification.
Calculation Period	each period starting from the first day of the Calculation Period (inclusive of this day) until the last day of a given Calculation Period (inclusive of this day), determined by the Parties in the Transaction Terms.
Transaction Description	this Description of Swap Transactions.
Fixed Price Payer	the Party defined as such in the Transaction Terms.
Floating Price Payer	the Party defined as such in the Transaction Terms.
Commodity Reference Price	Commodity reference price set by the Parties in the Transaction Terms.
Reference Dealers	for a Transaction (where the Commodity Reference Price shall be determined by the reference to the Commodity Reference Dealers) that shall be the Transaction: <ul style="list-style-type: none"> 1) other than the Precious Metal Transaction - four major traders operating on the appropriate market, chosen by the Bank; 2) Precious Metal Transaction - four major traders operating through their head office in London, LBMA members, chosen by the Bank.
Commodity Reference Dealers	in the event the Commodity Reference Price is determined based on the reference to the Commodity Reference Dealers, such Commodity Reference Price shall be determined based on the Specified Price for Commodity Unit with a delivery scheduled for the Delivery Date specified on the Pricing Date by the Reference Dealers and valid on the Pricing Date. If the following are provided: <ul style="list-style-type: none"> 1) four quotations - the Commodity Reference Price on the Pricing Date shall be the arithmetic mean of the Specified Prices for a given Commodity, disclosed by all the Reference Dealers, without factoring in the Specified Prices at the highest and lowest values; 2) three quotations - the Commodity Reference Price on the Pricing Date shall be the Specified Price provided by the Reference Dealer that shall remain once all the highest and lowest Specified Prices have been rejected. If one or more quotations is of the same highest or lowest value, the Specified Price of one of such quotations shall be rejected; 3) less than three quotations - the Commodity Reference Price cannot be determined on the Pricing Date.
Reuters	Thomson Reuters service or its successor.
Settlement Payment	each periodic execution of payables and receivables of the Parties, denominated in the Transaction Currency, arising under concluded Transactions.
Commodity Swap or Transaction or Commodity Swap Transaction	a commodity price swap transaction that entails a purchase by the Fixed Price Payer from the Floating Price Payer, of the Floating Amount(s) in exchange for the Fixed Amount(s) through payment of the Settlement Payment Amount(s) by one the Parties to the Transaction.
Futures Contract	with respect to the Commodity Reference Price and appropriate Delivery Date, a contract for a future delivery of the Commodity in the predefined quantity, determined in the appropriate Commodity Reference Price.
Commodity	commodity or Precious Metal determined by the Parties in the appropriate Commodity Reference Price.
Commodity Business Day	with respect to the Transactions: <ul style="list-style-type: none"> 1) other than the Precious Metal Transaction, for which the Commodity Reference Price: <ul style="list-style-type: none"> - shall be the price specified or disclosed by the Stock Exchange - the day when the Stock Exchange conducts trading sessions (or would conduct trades if the Market Disruption Event has not occurred), even though such Stock Exchange would be closed prior to its closing time; and - shall not be the price specified or disclosed by the Stock Exchange - the day with respect to which the appropriate Price Source published the price (or would publish if the Market Disruption Event has not occurred); 2) Precious Metal Transaction - the day when commercial banks are open for business (including settling FX transactions and currency deposit transactions) in Warsaw, London and New York.
Precious Metal Transaction	Transaction where the Commodity is a Precious Metal.
Ounce	for: gold – a Troy ounce of pure gold; for silver and platinum – a Troy ounce.
Transaction Currency	the currency in which the Commodity Reference Price for a given Transaction is denominated.
Price Source	publication (or other information source, including the Stock Exchange), containing (or providing) the Specified Price (or the prices based on which the Specified Price is calculated), defined by the Parties in the appropriate Commodity Reference Price.
Trading Disruption	material suspension of or material limitation on trading in Futures Contracts or Commodities on the appropriate Stock Exchange, which contribute to setting the Relevant Price. For the purposes of this definition: <ul style="list-style-type: none"> 1) suspension of trading in Futures Contracts or Commodities on the Commodity Business Day shall be deemed material solely if trading in Futures Contracts or Commodities has been entirely suspended: <ul style="list-style-type: none"> - during the entire Pricing Day; or - following commencement of trading on the Pricing Date, trading has not been resumed prior to the planned closing time of trading in Futures Contracts or Commodities on such y Pricing Date, and such suspension has been announced less than an hour in advance; 2) limitation on trading in Futures Contracts or Commodities on the Commodity Business Day shall be deemed material only if a given Stock Exchange sets limits for the price of Futures Contracts or Commodities, whereas the closing prices and settlement prices for Futures Contracts or Commodities on such day shall match the upper or bottom limit in such a price range.
Price Source Disruption	the Price Source's failure to announce or publish the Specified Price (or information needed to determine the Specified Price) for the appropriate Commodity Reference Price; or lack of the Price Source.
Fallback Reference Price	the Commodity reference price defined by the Parties in the Transaction Terms that shall apply should the Market Disruption Event occur.
Disruption Fallback	a method that serves as an alternative basis for setting the Relevant Price for the relevant Commodity Reference Price whenever the Market Disruption Event has occurred or continues on the Pricing Date (or on the day when the prices with respect to the Pricing Date would be published or announced on a standard basis by the Price Source if this day is not the Pricing Date).

Market Disruption Event

an event leading, in accordance with the appropriate Disruption Fallback, to use of the alternative basis for determining the Relevant Price in relation to the Commodity Reference Price, or to setting the Early Termination Date, if such event would occur on the Pricing Date for this Transaction (or on the day when the prices with respect to the Pricing Date would be published or announced on a standard basis by the Price Source if this day is not the Pricing Date). The following Market Disruption Events shall apply to:

- 1) the Transaction other than the Precious Metal Transaction:
 - a) Disappearance of Commodity Reference Price;
 - b) Material Change in Content;
 - c) Material Change in Formula;
 - d) Trading Disruption;
 - e) Price Source Disruption.
- 2) Precious Metal Transaction:
 - a) Disappearance of Commodity Reference Price;
 - b) Trading Disruption;
 - c) Price Source Disruption.

§2. Swap Transaction Description

I. Descriptions of IRS and CIRS Transactions

1. **Interest Rate Swap (IRS or Transakcja IRS).** By entering into an IRS Transaction, the Parties shall exchange interest payments on each Interest Payment Date in such a way that the Bank shall transfer to the Customer the amount of interest accrued on the Notional Amount in the Interest Period at the Bank Reference Rate, while the Customer shall transfer to the Bank the amount of interest accrued in the Interest Period on the Notional Amount at the Customer's Reference Rate. The Parties may agree, in the Transaction Terms, that the settlement of each such payment shall take place on each Interest Payment Date exclusively in the form of a net settlement i.e. by the payment of the Interest Difference Amount by the Party whose interest amount calculated as above is higher, to the Party whose interest amount calculated as above is lower.

The Parties can additionally agree in particular that the Notional Amount should be variable in the period from the Effective Date until the Termination Date. In such a case, the Parties shall agree on dates or conditions of the Notional Amount change.

2. **Currency Interest Rate Swap (CIRS or Transakcja CIRS).** By entering into a CIRS Transaction, in the period from the Effective Date until the Termination Date, the Parties shall:

- 1) exchange Notional Amounts in such a way that:
 - a) if initial and final exchanges of the Notional Amounts have been agreed upon:
 - on the Effective Date, the Bank shall transfer the Customer's Notional Amount to the Customer while the Customer shall transfer the Bank's Notional Amount to the Bank, and
 - on the Termination Date, the Bank shall transfer the Bank's Notional Amount to the Customer while the Customer shall transfer the Customer's Notional Amount to the Bank, or
 - b) if only the final exchange of Notional Amounts has been agreed upon, on the Termination Date, the Bank shall transfer the Bank Notional Amount to the Customer while the Customer shall transfer the Customer Notional Amount to the Bank,

and

- 2) exchange interest payments on each Interest Payment Date in such a way that the Bank shall transfer to the Customer the amount of interest accrued in a given Interest Period on the Bank Notional Amount at the Bank Reference Rate, while the Customer shall transfer to the Bank the amount of interest accrued in the same Interest Period on the Customer Notional Amount at the Customer Reference Rate.

The Parties can additionally agree on the following:

- 1) the Bank Notional Amount or the Customer Notional Amount will be variable in the period from the Effective Date until the Termination Date. In such a case, the Bank and the Customer shall agree on dates or conditions of changing the respective Notional Amount, likewise on a relevant exchange rate at which a new respective Notional Amount will be determined; or
 - 2) instead of paying relevant interest amounts on each Interest Payment Date by each of the Parties (**gross settlement**), the settlement of each such payment shall take place on each Interest Payment Date in form of a net settlement i.e. exclusively by the payment of the Interest Difference Amount by the Party, whose interest amount calculated as above is higher, to the Party, whose interest amount calculated as above, is lower (**net settlement**); or
 - 3) instead of exchange of the Bank Notional Amount into the Customer Notional Amount on the Commencement Date or Termination Date (**gross exchange**), the settlement of such an exchange shall be made on that day in form of a net settlement i.e. exclusively by the payment of Notional Amount Difference by the Party, whose Notional Amount due to the other Party, expressed in the Settlement Currency, is higher (**net exchange**).
3. **Interest Periods.** The following provisions shall apply to determination of Interest Periods:
 - 1) the first Interest Period shall commence on the Effective Date and end on the day immediately preceding the Interest Payment Date for this Interest Period, while each subsequent Interest Period shall start on the Interest Payment Date for the previous Interest Period and shall last until the day immediately preceding the Interest Payment Date for the current Interest Period, except for the last Interest Period which shall end on the Termination Date;
 - 2) if the Interest Payment Date falls on a day that is not a Business Day, unless the Bank and the Customer agree otherwise, it shall be moved to the nearest Business Day following that day. If the Interest Payment Date determined as above fell in the following calendar month, it should be moved to the nearest Business Day preceding that day. The determination of the Interest Payment Date in accordance with the above rule shall result in an appropriate modification of the duration of a respective Interest Period.
 4. **Inability to Determine the Reference Rate.** In the event the Bank is unable to determine the Reference Rate (including the Bank's Reference Rate or the Customer's Reference Rate) in the manner defined in the Transaction Terms due to unavailability of appropriate data for reasons beyond the Bank's control, the Bank and the Customer shall agree upon another basis for determination of the Reference Rate. If, however, the Bank and the Customer fail to agree on such a basis by the relevant Interest Payment Date or Termination Date, the Bank shall, independently and in good faith, designate the basis for determination of the Reference Rate using the data available to the Bank.
 5. **Inability to Determine the Reference Exchange Rate.** In the event the Bank is unable to determine the Reference Exchange Rate in the manner defined in the Transaction Terms due to unavailability of appropriate data for reasons beyond the Bank's control, the Bank and the Customer shall agree upon another basis for determination of the Reference Exchange Rate. If, however, the Bank and the Customer fail to agree on such a basis by the relevant Interest Payment Date, Effective Date or Termination Date, the Bank shall, independently and in good faith, designate the basis for determination of the Reference Exchange Rate, using the available data regarding transactions on the interbank market.

II. Description of Commodity Swap Transactions

1. **Commodity Swap (Swap Towarowy).** By entering into a Commodity Swap Transaction, from the Effective Date to the Termination Date, the Parties (Fixed Price Payer and Floating Price Payer) shall make a settlement through payment or receipt of the Settlement Payment Amount, on each Settlement Payment Date. In the event the Floating Price for the Settlement Payment Date is higher than the Fixed Price for the relevant Settlement Payment Date, the Floating Price Payer shall pay the Settlement Payment Amount to the Fixed Price Payer. In the event the Floating Price for the Settlement Payment Date is lower than the Fixed Price for the relevant Settlement Payment Date, the Fixed Price Payer shall pay the Settlement Payment Amount to the Floating Price Payer.
2. **Adjustment.** For the purpose of determining the Relevant Price for a given day, if the price published or announced on a given day, which has been or is to be applied by the Bank to determine the Relevant Price is adjusted by the Price Source, and the adjustment is published by the Price Source within 30 calendar days after the first publication or announcement - the Bank may notify the Customer, in the manner specified in the Customer Information Attachment, of such adjustment. If the Bank, within 30 calendar days after the publication or announcement of the adjustment, notifies the Customer of the adjustment - the Bank shall determine, in accordance with the Transaction Terms, whether the Settlement Payment Amount previously agreed upon has changed or not, and if it is established that the Settlement Payment Amount has changed - the Bank shall determine, in accordance with the Transaction Terms, the payment amount which one Party is obligated to pay the other Party (the Adjustment Amount), calculated as the absolute value of the difference between the originally calculated Settlement Payment Amount and the adjusted Settlement Payment Amount, increased by the amount of interest on such difference. The interest shall be calculated at an annual interest rate determined by the Bank as the interest rate offered for deposits in the currency of the respective payment on the interbank market in London at 11:00 hrs London time on the Settlement Payment Date, for the period from the date on which the originally calculated Settlement Payment Amount is paid (inclusive of that day) until the date of payment arising from such adjustment (exclusive of that day). In the case the Bank has notified the Customer of the adjustment, the Bank shall promptly notify the Customer in the manner specified in the Customer Information Attachment of the Adjustment Amount. If the Adjustment Amount is due to the Bank - the Customer shall pay this Amount to the Bank; and if the Adjustment Amount is due to the Customer - the Bank shall pay such amount to the Customer.
3. **Disruption Fallback.** If the Bank determines in good faith that the Market Disruption Event applicable to the Transaction has occurred or continues on the Pricing Date of such Transaction (or on the day when prices in respect of such Pricing Date would be normally published or announced by the Price Source, if such day is not the Pricing Date) - the Relevant Price as at such Pricing Date shall be determined by the Bank in accordance with the first relevant Disruption Fallback (applied according to its terms). In cases where the Bank is unable to determine the Relevant Price, the provisions of item 5 shall be applied. In order to determine whether and how the Disruption Fallback applies to the Transaction, the terms below will have the following meaning:
 - 1) **Negotiated Fallback** - Immediately after the occurrence of the Market Disruption Event, the Parties acting in good faith shall commence telephone negotiations in order to determine the Relevant Price or the method of the Relevant Price determination; if the Parties fail to determine the Relevant Price in this way, then in the period equal to the Maximum Days of Disruption, that follows the Pricing Date at which the Market Disruption Event has occurred or continued - the next Disruption Fallback shall be applied accordingly;
 - 2) **Postponement** - for the need of application of the Disruption Fallback, only the first subsequent Commodity Business Day, on which the Market Disruption Event has ended shall be deemed the Pricing Date, unless the Market Disruption Event still continues (counting from and inclusive of the originally determined Commodity Pricing Date) during next Commodity Business Days in the number equal to the Maximum Days of Disruption. In this case, another Disruption Fallback shall apply to the Transaction; In the event that due to the Postponement

consistent with this provision, there is no Relevant Price available to establish the Floating Price required to calculate the Settlement Payment Amount due on the Settlement Payment Date, a given Settlement Payment Date shall be deferred by the period equal to the deferral period for determining the Relevant Price;

- 3) **Delayed Publication or Announcement** - the Relevant Price as at the Pricing Date shall be determined on the basis of the Specified Price, in relation to the day originally determined as the Pricing Date, which was retrospectively published or announced by the relevant Price Source in the first subsequent Commodity Business Day, on which the Market Disruption Event ceased to exist, unless the Market Disruption Event still continues (counting from and inclusive of the originally determined Pricing Date) or when the Relevant Price remains undetermined in subsequent Commodity Business Days in the number equal to the Maximum Days of Disruption. In this case, another Disruption Fallback shall apply to the Transaction; In the event that due to the delay consistent with this provision, there is no Relevant Price available to establish the Floating Price required to calculate the Settlement Payment Amount due on any Settlement Payment Date, a given Settlement Payment Date shall be delayed by the period equal to the delay period for determining the Relevant Price;
 - 4) **Fallback Reference Price** - the Bank shall determine the Relevant Price based on the Fallback Reference Price for the given Pricing Date, which the Parties specified in the Transaction Terms. If the Fallback Reference Price is also affected by the Market Disruption Event on the given Pricing Date, then another Disruption Fallback shall apply to the Transaction;
 - 5) **Fallback Reference Dealers** - determination by the Bank of the Relevant Price according to the Commodity Reference Price determined by reference to the Fallback Reference Dealers.
4. **Application of the Disruption Fallback.**

The following Disruption Fallback shall be applied in the following order for the Transaction:

- 1) if the Parties have agreed the Fallback Reference Price in the Transaction Terms:

- a) as first in order: the Fallback Reference Price;
- b) as second in order: the Negotiated Fallback, Delayed Publication or Announcement and Postponement (applied concurrently during the Maximum Days of Disruption in such a way that the price set in this period by the Postponement shall be the Relevant Price only if the Relevant Price is not set in this period as a result of a Delayed Publication or Announcement).

If the Relevant Price has been determined:

- as a result of the Delayed Publication or Announcement or Postponement prior to setting it by the Parties under the procedure of the Negotiated Fallback, then the Negotiated Fallback shall not apply;
- under the procedure of the Negotiated Fallback prior to setting it under the procedure of a Delayed Publication or Announcement and Postponement, then the Delayed Publication or Announcement and Deferral shall not apply.

If the Parties do not agree the Relevant Price under this procedure and deadline, the provisions referred to in section c) shall apply.

- c) as third in order: the Fallback Reference Dealers,

- 2) if the Parties have not agreed the Fallback Reference Price in the Transaction Terms:

- a) as first in order: the Negotiated Fallback, Delayed Publication or Announcement and Postponement (applied concurrently during the Maximum Days of Disruption in such a way that the price set in this period by the Postponement shall be the Relevant Price only if the Relevant Price is not set in this period as a result of a Delayed Publication or Announcement).

If the Relevant Price has been determined:

- as a result of the Delayed Publication or Announcement or Postponement prior to setting it by the Parties under the procedure of the Negotiated Fallback, then the Negotiated Fallback shall not apply;
- under the procedure of the Negotiated Fallback prior to setting it under the procedure of a Delayed Publication or Announcement and Postponement, then the Delayed Publication or Announcement and Postponement shall not apply.

If the Parties do not agree the Relevant Price under this procedure and deadline, the provisions referred to in section b) shall apply.

- b) as second in order: the Fallback Reference Dealers.

5. Setting the Early Termination Date.

In cases where the Market Disruption Event has occurred or continues on the day, which otherwise would have been the Pricing Date for the Transaction (or on the day when the prices in relation to the Pricing Date would be normally published or announced by the Price Source, if such day is not the Pricing Date), and none of the Disruption Fallback results in obtaining the Relevant Price by the Parties, then the Bank, without termination of the Master Agreement, shall set the Early Termination Date for the Transaction, as if an Event of Default has occurred on the date when it was established that none of the Disruption Fallbacks shall result in obtaining the Relevant Price.

§3. Transaction Terms

1. **In order to enter into an IRS Transaction, the Parties shall, in each case, agree on the essential Transaction Terms out of the following:**

- 1) Notional Amount (*Kwota Bazowa*);
- 2) Bank's Reference Rate (*Stopa Referencyjna Banku*);
- 3) Customer's Reference Rate (*Stopa Referencyjna Klienta*);
- 4) Interest Rate Period (*Okres Odsetkowy*);
- 5) Effective Date (*Dzień Rozpoczęcia*);
- 6) Interest Payment Date (*Dzień Płatności Odsetek*);
- 7) Termination Date (*Dzień Zakończenia*).

2. **In order to enter into a CIRS Transaction, the Parties shall, in each case, agree on the essential Transaction Terms out of the following:**

- 1) Bank's Notional Amount (*Kwota Bazowa Banku*);
- 2) Customer's Notional Amount (*Kwota Bazowa Klienta*);
- 3) Settlement Currency (*Waluta Rozliczenia*) and Exchange Rate (*Kurs Wymiany*) and additionally if the net settlement has been agreed upon, the Reference Exchange Rate (*Kurs Referencyjny*);
- 4) Bank's Reference Rate (*Stopa Referencyjna Banku*);
- 5) Customer's Reference Rate (*Stopa Referencyjna Klienta*);
- 6) Interest Rate Period (*Okres Odsetkowy*);
- 7) Effective Date (*Dzień Rozpoczęcia*);
- 8) Interest Payment Date (*Dzień Płatności Odsetek*);
- 9) Termination Date (*Dzień Zakończenia*);
- 10) Initial and final exchanges or only the final exchange of Notional Amounts (*Wymiana początkowa i końcowa albo tylko wymiana końcowa Kwot Bazowych*).

3. **In order to enter into a Commodity Swap Transaction, the Parties shall, in each case, agree on the essential Transaction Terms out of the following:**

- 1) Effective Date (*Dzień Rozpoczęcia*);
- 2) Termination Date (*Dzień Zakończenia*);
- 3) Pricing Date(s) (*Dzień(Dni) Wyceny Towaru*);
- 4) t Settlement Payment Date(s) (*Data(-y) Rozliczenia Płatności*);
- 5) Towar (*Commodity*);
- 6) Notional Quantity per Calculation Period (Ilość(ci) Nominalna(e) Dla Okresu(ów) Obliczeniowego(ych));
- 7) Floating Price Payer (*Płatnik Kwoty Zmiennej*);
- 8) Fixed Price Payer (*Płatnik Kwoty Stałej*);
- 9) Commodity Reference Price (*Referencyjna Cena Towaru*) supplemented by the specification: Specified Price (*Ogłoszona Cena*) and (if the definition that the Parties shall use to define the Commodity Reference Price contains the reference to the Delivery Date) – Delivery Date (*Data(-y) Dostawy*);
- 10) Fixed Price (*Cena Stała*);
- 11) Calculation Period (*Okres/y Obliczeniowy/we*).

In addition to the terms referred to in items 1-11, the Parties shall determine which Settlement Payment Date, Pricing Date, Delivery Date and Notional Amount per Calculation Period shall apply to a given Calculation Period. Fixed Price, Commodity Reference Price, Specified Price and Fallback Reference Price (if agreed by the Parties) - for each Calculation Period shall be the same.

In addition to the terms referred to in items 1-11, the Parties may determine the Fallback Reference Price. In the event the Fallback Reference Price is denominated in the currency other than the Transaction Currency or specified in the measure unit other than the Unit, the Parties shall agree on the terms at which the price shall be converted by the Bank to make the price denominated in the Transaction Currency and Unit).

Currency Transactions

§1. Definitions

Settlement Date	a Business Day agreed upon in the Transaction Terms when the mutual settlement between the Parties under the Transaction takes place.
Transaction Conclusion Date	
Date	a Business Day when a Transaction is concluded.
Buyer/ Seller	shall mean, depending on the circumstances, the Bank or the Customer;
Reference Rate	an exchange rate for the pair of currencies to which a non-deliverable forward (NDF) Transaction applies, determined by the central bank agreed by the Parties or another entity on a relevant day (" Fixing Date "). The type of the Reference Rate and Fixing Date is agreed by the Parties in the Transaction Terms.
Exchange Rate	a Settlement Currency exchange rate, as determined in Transaction Terms, at which the Transaction Currency is either sold or bought.
Payment Amount	the amount denominated in the Settlement Currency that shall be the product of the Notional Amount and absolute value of the difference between the agreed Exchange Rate and Reference Rate.
Notional Amount	the amount denominated in the Transaction Currency, sold to the Buyer by the Seller.
Settlement Amount	an amount denominated in the Settlement Currency, equivalent to the Notional Amount in the Settlement Currency, calculated as the product of the Notional Amount and the Exchange Rate;
Transaction Description	this Description of Currency Transactions.
Currency Transaction	a Today Transaction, Tomorrow Transaction, Spot Transaction, or Forward Transaction, NDF Transaction or other Transaction type of a similar nature, agreed upon by and between the Parties.
Settlement Currency	the currency in which the Notional Amount is paid by the Buyer or Payment Amount is settled by one of the Parties.
Transaction Currency	the currency in which the Notional Amount is denominated.

§2. Currency Transaction Description

- Today Transaction.** By entering into a Today Transaction, the Seller shall sell the Notional Amount, while the Buyer shall buy it for the Settlement Amount. The Settlement Date shall be the Transaction Conclusion Date.
- Tomorrow Transaction.** By entering into a Tomorrow Transaction, the Seller shall sell the Notional Amount, while the Buyer shall buy it for the Settlement Amount. The Settlement Date shall be a Business Day immediately following the Transaction Conclusion Date.
- Spot Transaction.** By entering into a Spot Transaction, the Seller shall sell the Notional Amount, while the Buyer shall buy it for the Settlement Amount. The Settlement Date shall be the second Business Day following the Transaction Conclusion Date.
- Forward Transaction.** By entering into a Forward Transaction, the Seller shall sell the Notional Amount, while the Buyer shall buy it for the Settlement Amount. The Settlement Date falls not earlier than on the third Business Day following the Transaction Conclusion Date.
- NDF Transaction.** By entering into a NDF Transaction, the Seller shall sell the Notional Amount to the Buyer and the Buyer shall buy it for the Settlement Amount, whereas the net settlement shall be made on the Settlement Date that entails transfer of the Payment Amount by one Party to the other Party. In the event that the Exchange Rate on the Fixing Date is higher than the Reference Rate, the Buyer shall pay the Payment Amount to the Seller on the Settlement Date; nevertheless, if the Exchange Rate on the Fixing Date is lower than the Reference Rate, the Seller shall pay the Payment Amount to the Seller on the Settlement Date. The Settlement Date falls not earlier than on the third Business Day following the Transaction Conclusion Date.
- Currency Swap Transaction (FX Swap).** By entering into a Currency Swap Transaction, the Parties shall conclude two Currency Transactions for the purpose of the initial exchange (*First Leg of a Swap*) and the final exchange (*Second Leg of a Swap*); the latter is opposite to the initial exchange. The Settlement Date, both for the initial and final exchange, can be the Transaction Conclusion Date (*Today Transaction*), or the Business Day falling immediately after the Transaction Conclusion Date (*Tomorrow Transaction*), the second Business Day falling after the Transaction conclusion date (*Spot Transaction*), or the Business Day falling not earlier than on the third Business Day after the Transaction Conclusion Date (*Forward Transaction*).
- Inability to Determine the Reference Exchange Rate.** In the event the Bank is unable to determine the Reference Rate in the manner defined in the Transaction Terms due to unavailability of appropriate data for reasons beyond the Bank's control, the Bank and the Customer shall agree upon another basis for determination of the Reference Rate. If, however, the Bank and the Customer fail to agree on such a basis, the Bank shall, independently and in good faith, designate the basis for determining the Reference Rate, using the data regarding transactions concluded on the interbank market.
- Transaction Terms.** In order to enter into a Transaction, the Parties shall, in each case, agree on the essential Transaction Terms out of the following:
 - 1) Buyer and Seller (*Kupujący i Sprzedający*);
 - 2) Notional Amount (*Kwota Transakcji*);
 - 3) Currency (*Waluta Transakcji*);
 - 4) Settlement Currency (*Waluta Rozliczenia*);
 - 5) Exchange Rate (*Kurs Wymiany*);
 - 6) Settlement Date (*Dzień Rozliczenia*);
 - 7) type of the Reference Rate and Fixing Date as well as the hour of the Reference Rate announcement provided that such time is the decisive factor contributing to specification of the rate (applicable to NDF Transactions).

With respect to Currency Swap Transactions, the Parties shall agree (for both FX Transactions included in the FX Swap), the essential Transaction Terms out of the terms referred to in items 1-6.