



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:

- 1) the "General Conditions" and "Transaction Descriptions" for each type of Transactions - within the meaning of the "Master Agreement on financial market transactions",
2) "Regulations for forward and derivative transactions" and "Product Regulations" for particular types of Transactions; "Regulations on handling customers' complaints at BNP Paribas Bank Polska S.A." / "Regulations on handling corporate customers' complaints at BNP Paribas Bank Polska S.A." - within the meaning of the "Framework Cooperation Agreement concerned with Forward and Derivative Transactions",
3) "Regulations of currency exchange transactions" within the meaning of the Master Agreement for Corporate Customers", "Application /Agreement for Small Enterprises at BNP Paribas Polska S.A. on execution of currency exchange transactions", "Application /Agreement for Small Enterprises (Individual business activity) to make available and provide services of currency exchange transactions".

2. Definitions – general provisions

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, BNP Paribas S.A., based in Paris, or the Bank shall be the Calculation Agent

Bank

BNP Paribas Bank Polska Spółka Akcyjna.

Business Day

each day from Monday through Friday, except for public holidays or days when no institution or no financial market, required to settle the Transactions, or determine parameters indispensable to settle the Transactions, operates

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 Valuation/ the sum of Valuations for each/ all Transactions

Transaction Conclusion Date

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

Exposure

a negative sum of Valuation of all the Customer's Transactions concluded by the Customer under the Transaction Limit or upon request of the Customer - with the Customer not having this limit (in accordance with the provisions referred to in Article 5 item 1). 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 Valuation 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).

Security Deposit

Collateral in the form referred to in § 23 para. 2 letter a)

Customer

a natural person pursuing business activity or legal person, or an organizational unit, which is not a legal person, having legal capacity, 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

Retail Customer

a customer assigned the Retail Customer category by the Bank, under the Customer classification carried out pursuant to the MiFID Regulation requirements

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

NFC- Customer

a NFC Customer whose Derivative Transactions are subject, in accordance with the EMIR Regulations, to reporting obligations by the Bank

Professional Customer

a customer that has been assigned a "Professional Customer" category by the Bank (under a classification of Customers in accordance with the requirements of the MiFID Regulation)

The Civil Code

the Civil Code Act of 23 April 1964

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 § 20). 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:

- 1) determined in the Agreement on Collateral or
2) determined in the "Master agreement on financial market transactions" - as the amount of the Transaction Limit (pre-settlement), or
3) which constitutes 95% of the "Threshold Amount granted"/ of the sum of "Threshold Amounts granted" - indicated in the "Information on the Limit applicable to Forward and Derivative Transactions, along with the specification of indicators applicable to Forward and Derivative Transactions at BNP Paribas Bank Polska S.A."

Initial Collateral Amount

an amount in PLN or EUR, respectively, established by the Parties under the Conditions of a Transaction concluded under the Secured Limit for the purpose of establishing the Initial Collateral

Business Day Locations

locations relevant to establish whether a given day is a Business Day. Business Day Locations may be established by the Parties for particular Transactions

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

an amount established by the Bank upon Customer's request, specifying an estimated maximum value of receivables due from the Customer to the Bank under Transaction(s). The Transaction Limit Amount sets the Bank's risk level arising from Transaction(s). The actual amount of receivables due from the Customer to the Bank under Transaction(s) may be different from the adopted Transaction Limit amount

Secured Limit

an amount established by the Bank upon Customer's request, specifying an estimated maximum value of receivables due from the Customer to the Bank under Transaction(s). The Secured Limit Amount sets the Bank's risk level arising from Transaction(s). The actual amount of receivables due from the Customer to the Bank under Transaction(s) may be different from the adopted Secured Limit amount. The Secured Limit is determined separately from the Transaction Limit. Within the Secured Limit granted to the Customer, the Bank can request the Customer to establish at least the Initial Collateral

List of the Bank's Telephone

Branch / BC and Customer No. input fields

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	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	Transaction	retail and insurance-based investment products (PRIIPs)
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", or 3) as 5% of the "Threshold Amount granted"/ of the sum of "Threshold Amounts granted" - indicated in the "Information on the Limit applicable to Forward and Derivative Transactions, along with the specification of indicators applicable to Forward and Derivative Transactions at BNP Paribas Bank Polska S.A." - in the case of Customers that concluded a "Framework Cooperation Agreement concerned with Forward and Derivative 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	Banking Law	the Banking Law Act dated 29 August 1997	Master Agreement	each agreement entered into by the Parties under the Master Agreement the agreement concluded between the Bank and the Customer regarding 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 and Art. 250 and Art. 299 para. 3 of the Restructuring Law Act of 15 May 2015
Limited Property Right	Collateral in the form referred to in § 23 para. 2 letter b)	Customer Profiling	the assessment that the Bank performs on the basis of information from the Retail Customer on his /her: – knowledge of financial instruments and the investment service, and – investment experience, to verify whether the financial instruments or the investment service provided by the Bank under the Master Agreement are appropriate for a given Customer	Agreement on Collateral	an agreement concluded between the Bank and the Customer, 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 account of Transactions entered into (including the payment of the Net Settlement Amount)
Transaction Descriptions	a document attached to the Regulations as Enclosure no. 2, which forms their integral part; it includes: 1) definitions and descriptions of the Transactions which may be concluded under the Master Agreement, 2) description of the rules of procedure in the event of lack of Benchmark publication or change in the Benchmark's method calculation or loss of the Benchmark representativeness, 3) description of the rules for calculating the Compound RFR Rate	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	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
PLN Affiliated Entity	the Polish zloty, legal tender in Poland an entity that: 4) 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 5) that established or is under obligation to establish collateral in favour of the Bank securing due execution of the Transaction by the Customer; or 6) that has been agreed as such in a given Transaction - in relation to the Customer	Customer Settlement Account	Customer's bank account indicated by the Customer in the Customer Information Attachment, or in other document, or agreed upon by the Parties under the Transaction Terms Arrangement	Eligible Counterparty	a customer assigned the Eligible Counterparty category by the Bank, under the Customer classification carried out pursuant to the MiFID Regulation requirements
Electronic Signature (electronic signature)	advanced electronic signature (acceptable to the Bank) or qualified electronic signature within the meaning of Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC of 23 July 2014 and the Act of 5 September 2016 on trust services and electronic identification, their implementing provisions and the provisions that will change or replace them. A list of advanced electronic signatures acceptable to the Bank is available in the Bank's units and on its website	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	Transaction Terms Arrangement	submission by the Parties of declarations of intent, which represent acceptance of the Transaction Terms
		Customer Collateral Account	the Customer's bank account, maintained in PLN or EUR for the purpose of Collateral establishment: 1) the Agreement on Collateral, or 2) in the Master Agreement on financial market transactions, as the Account, or 3) bank account agreement under which the Bank maintains a relevant Customer Settlement Account for the Customer	Initial Collateral Currency	a currency which is PLN or EUR, respectively, agreed on by the Parties in the Transaction Terms – for Transaction concluded under the Secured Limit for the purpose of establishing the Initial Collateral
		MiFID Regulation	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, along with its delegated acts, implementing acts and national law implementing its provisions	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 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. 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
		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 applicable wording	Transaction Terms	conditions agreed upon by the Parties, under which the Transaction has been concluded, amended or terminated
		Trade Repository	an entity or supervisory body authorised under the EMIR Regulations to collect and maintain records concerning Derivative Transactions, including their conclusion, modification and termination	Valuation	an amount denominated in PLN which is a difference between the current value, calculated by the Bank as at the Valuation Date, of not matured receivables due to the Customer from the Bank under a given Transaction and current value of not matured obligations due from the Customer to the Bank under this Transaction. The Valuation does not incorporate potential costs, fees or margins due to the Bank in the situation of early settlement of a given Transaction as a result of establishment of the Early Termination Date
		Regulation	Regulation of the Minister of Finance dated 30 May 2018 regarding the procedures and conditions to be applied by investment companies, banks, referred to in Article 70, item 2 of the Act on Trading in Financial Instruments, likewise custody banks		
		Delegated Regulation	Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive		
		PRIIP Regulation	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged		

Collateral	depending on the context - Fixed Collateral or Variable Collateral, or Initial Collateral (including supplementing this Collateral in the form of Additional Collateral)	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, 11) "General Conditions" and "Transaction Descriptions" - it shall mean these Regulations , 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) "Regulation no. 648/2012" - shall mean the EMIR Regulations , 16) "Transactions" - shall mean the Transaction(s) , referred to, respectively, in these Regulations.	activity) to make available and provide services of currency exchange transactions to "currency exchange transactions" – it shall mean Today Transactions or Tomorrow Transactions, or Spot Transactions , referred to, respectively, in these Regulations.
Personal Collateral	shall mean collateral granted by a third party in the form of a surety, guarantee or other security of a similar nature		8. Definitions - for the purpose of the "Information on the Limit applicable to Forward and Derivative Transactions, along with the specification of indicators applicable to Forward and Derivative Transactions at BNP Paribas Bank Polska S.A." Whenever there is a reference in the "Information on the Limit applicable to Forward and Derivative Transactions, along with the specification of indicators applicable to Forward and Derivative Transactions at BNP Paribas Bank Polska S.A." to: 1) "Unsecured Limit" – it shall mean the Transaction Limit , 2) "Secured Limit" – it shall mean the Secured Limit , referred to, respectively, in these Regulations.
Received Collateral	shall mean the PLN value of the Variable Collateral which has been established in favour of the Bank		9. The following items submitted/provided by the Customer, before the date of entry into force of these Regulations: 1) Customer's identification passwords, necessary to conclude Transactions, 2) any contact data: numbers of telephones, faxes and addresses for the purposes of communication addressed by the Bank to the Customer in connection with the performance of the Master Agreement (including conclusion of Transactions), 3) data of the Customer and his/her representatives, which are indispensable for the Transaction(s) conclusion, 4) representations concerning authorization of the Customer's representatives to conclude Transactions, in the performance of the agreements specified in this § 1 items 3, 4, 5, 6 and 7 shall remain in force, until their change or expiry. Each change of the above-mentioned data shall, for its effectiveness, be made on the basis of: a) Customer Information Attachment - in the case of agreements specified in this § 1, item 3 and 4, b) the document indicated by the Bank - in the case of agreements referred to in this § 1, item 5, 6 and 7.
Initial Collateral	collateral established in the form of a Deposit or Limited Property Right in the manner specified in: 1) these Regulations – for the purpose of securing receivables due to the Bank under the Master Agreement or Transactions concluded under the Secured Limit or 2) Agreement on Collateral. Initial Collateral is minimum Collateral required by the Bank in connection with a given Transaction concluded with the Customer under the Secured Limit	4. Definitions - for the purpose of the "Framework Cooperation Agreement concerned with Forward and Derivative Transactions" Whenever there is a reference in the "Framework Cooperation Agreement concerned with Forward and Derivative Transactions" to: 1) a document entitled "MiFID - information leaflet for BNP Paribas Bank Polska S.A. customers" - it shall mean "Information Package for the Customer of the Global Markets Line of BNP Paribas Bank Polska S.A." , 2) a document entitled "Financial instruments at BNP Paribas Bank Polska S.A." - it shall mean the Description of Risk Related to Financial Market Instruments , 3) Bank telephone numbers in connection with the performance of the Master Agreement (including with conclusion of Derivative Transactions) - it shall mean a List of the Bank's Telephone Numbers , 4) "Confirmations" - it shall mean the Confirmations , 5) "Regulations of Forward and Derivative Transactions" and "Product Regulations" for particular types of Transactions – it shall mean these Regulations , 6) "Regulations on Handling Customers' Complaints at BNP Paribas Bank Polska S.A./" "Regulations on Handling Corporate Customers' Complaints at BNP Paribas Bank Polska S.A." - it shall mean these Regulations , 7) "Transactions" – it shall mean Transactions (except for Today Transactions, Tomorrow Transactions and Spot Transactions - which are not Closing Transactions or are not concluded for the purpose of establishment of the Net Settlement Amount), 8) "Statement of Transactions" – it shall mean the Information , referred to, respectively, in these Regulations.	
Additional Collateral	supplementation of the Initial Collateral, submitted by the Customer in the manner specified in: 1) these Regulations - for the purpose of securing receivables due to the Bank under the Master Agreement or Transactions concluded under the Secured Limit or 2) Agreement on Collateral		§ 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 – if applicable, 3) Regulations along with enclosures (including Transaction Descriptions and enclosures to the Transaction Descriptions), 4) Confirmations. 2. Joint legal relationship The Master Agreement, the Regulations and Transaction Descriptions, each Transaction, Agreement on Collateral 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.
Tangible Assets Collateral	shall mean collateral, other than pecuniary collateral, which consists in the establishment of a limited property right, or assignment of an ownership title or right of a tangible asset		§ 3. Agreement Conclusion 1. Form of the Master Agreement and the Agreement on Collateral shall be established Conclusion of the Master Agreement and Agreement on Collateral, as well as any amendments thereto, must be maintained under pain of nullity: in writing or in an electronic form with the use of the Electronic Signature, unless the Regulations, Master Agreement or Agreement on Collateral stipulate otherwise. 2. Documents and information submitted by the Customer to the Bank Before concluding the Master Agreement, the Customer is obliged to submit to the Bank the documents and information which the Bank indicates and which are used to: 1) identify the Customer, 2) properly authorise the persons acting on behalf of and for the Customer, 3) assess the Customer's knowledge and experience in Derivatives Transactions (according to the MiFID Regulation), 4) assign the Customer to the target group (according to the Regulation). The Customer is required to submit the following documents, among others: 1) for a Customer assigned by the Bank (according to the MiFID Regulation) to: a) a Retail Customer category: – the "Customer Profile Questionnaire" completed and signed by the Customer - so that the Bank can perform Customer Profiling and assign the Customer to the target group,
Fixed Collateral	shall mean Personal Collateral, Tangible Assets Collateral or pecuniary collateral, in the form of a Security Deposit or Limited Property Right (other than Variable Collateral), established pursuant to: 1) these Regulations, and 2) the Agreement on Collateral.		
Required Collateral	a PLN value of the Variable Collateral which the Customer has been obliged to establish	5. Definitions - for the purpose of the Master Agreement for Corporate Customers Whenever there is a reference in the Master Agreement for Corporate Customers to: 1) "Regulations of Currency Exchange Transactions" - it shall mean these Regulations , 2) "currency exchange transactions" – it shall mean Today Transactions or Tomorrow Transactions, or Spot Transactions , referred to, respectively, in these Regulations.	
Variable Collateral	shall mean pecuniary collateral established in the form of a Security Deposit or Limited Property Right, pursuant to: 1) these Regulations – for the purpose of securing receivables due to the Bank under the Master Agreement or Transactions concluded under the Transaction Limit or 2) the Agreement on Collateral	6. Definitions - for the purpose of the "Application / Agreement for Small Enterprises at BNP Paribas Polska S.A. on execution of currency exchange transactions" Whenever there is a reference in the Application / Agreement for Small Enterprises at BNP Paribas Polska S.A. on execution of currency exchange transactions to: 1) "Regulations of Currency Exchange Transactions" - it shall mean these Regulations , 2) "currency exchange transactions" – it shall mean Today Transactions or Tomorrow Transactions, or Spot Transactions , referred to, respectively, in these Regulations.	
Customer Information Attachment	a document drawn up in accordance with the model provided by the Bank or, with the Bank's approval, another document drawn up by the Customer, whose content corresponds to the model provided by the Bank - submitted by the Customer to the Bank in connection with the conclusion of the Master Agreement, containing, inter alia, details of the Customer and its representatives, necessary to conclude a Transaction	7. Definitions - for the purpose of the "Application / Agreement for Small Enterprises (Individual business activity) to make available and provide services of currency exchange transactions" Whenever there is a reference in the Application / Agreement for Small Enterprises (Individual business	
	The Bank and the Customer are also hereinafter referred to as "the Parties" (jointly) or "the Party" (individually). 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 2014, or any announcement or other relevant legal act that will supersede it. Whenever the Regulations, the Master Agreement, the Agreement on Collateral or any other document related thereto provide for a reference to a signature, signing, signed document or statement of any nature, and unless they provide otherwise, this is understood to mean: 1) the signature of such document/statement by hand, or 2) submission of the Electronic Signature.		
3. Definitions - for the purpose of the Master Agreement on Financial Market Transactions"			

- the "Statement regarding Cross-Border Swap Transactions" completed and signed by the Customer - so that the Bank may assign the Customer to the target group,
 - the "Result of the Appropriateness Assessment of Financial Instruments and Investment Service" signed by the Customer – so that the Bank may complete Customer Profiling - or
 - b) a Professional Customer or Eligible Counterparty category:
 - the "Questionnaire (Target Group)" completed and signed by the Customer.
 - "Statement regarding Cross-Border Swap Transactions" completed and signed by the Customer,
 so that the Bank may assign the Customer to the target group;
 - 2) information on transactions concerning Derivative Instruments that the Customer has entered into with other entities;
 - 3) information on foreign currency cash flows;
- and, if required by the Bank:
- 4) information on the Customer's financial risk management;
 - 5) a credit application or an application for foreign exchange and derivative transactions completed and signed by the Customer, together with attachments.

The Bank has the right to request other documents or information from the Customer in order to properly assess the credit risk or to fulfill the obligation to report to the Transaction Repository.

3. Inappropriateness

If the Customer Profiling shows that a certain type of Transaction is not appropriate for a Retail Customer, the Bank will notify the Customer thereof. In such a case, the Bank and the Customer may enter into Transactions under the Master Agreement – if, despite the warning, the Customer has submitted an application with regard to this case, subject to item 2 below.

However, the Bank will not conclude a Transaction with the Customer if:

- 1) the Customer refuses to submit to an assessment of financial instruments and investment service, or performance of this assessment is not possible due to other reasons, or
- 2) the "Result of the Appropriateness Assessment of Financial Instruments and Investment Service" will show that the financial instrument is not appropriate for a given Customer due to the Customer's lack of knowledge of it.

The Bank assumes that the Professional Customer or the Eligible Counterparty have the necessary investment knowledge and investment experience which allow them to conclude Transactions.

4. 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 enclosures (including Transaction Descriptions and enclosures to the Transaction Descriptions),
- 2) "Description of Risk Related to Financial Market 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 of BNP Paribas Bank Polska S.A."
- 5) other information, if required by law.

Before entering into the first Transaction of a specific type, the Bank shall forward a document including key information determined in the PRIIP Regulation to the Retail Customer, at the Customer's choice:

- 1) on a durable medium in the meaning of the Delegated Regulation:
 - a) in electronic form – including by electronic mail to the e-mail address specified by the Customer in the Customer Information Attachment or
 - b) in a paper form, to the address of the Customer's mailing address or
- 2) via the www.bnpparibas.pl/repozytorium/priip/dokumenty-zawierajace-kluczowe-informacje-kid's website – the Bank shall inform the Customer thereof to the e-mail address specified in the Customer Information Attachment referring to the website address.

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

Retail Customer has the right to receive from the Bank a free paper copy of the document including key information for investors.

Unless otherwise stipulated in the Master Agreement and the Regulations, any correspondence related to: the Master Agreement and Transaction shall be forwarded to the Customer in the manner specified by the Customer in the Customer Information Attachment.

5. Implementation of MiFID Regulation and Regulation requirements

Before concluding the Master Agreement, the Bank:

- 1) classifies the Customer to a Customer category; and
- 2) performs Customer Profiling - this applies only to a Retail Customer, and
- 3) assigns the Customer to a target group to which the Bank may offer Transactions concerning Derivative Instruments.

6. Service Nature

When concluding Transactions, the Bank conducts activity of buying or selling, for its own account, financial instruments in order to execute the Customer's orders.

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

- 1) receiving and transmitting the Customer's orders,
- 2) investment advice.

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.

7. 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 name proxies to make statement of will in matters related to Transactions, including to conclude Transactions and any other activities specified in the Regulations, the Master Agreement and the Agreement on Collateral, by specifying:

- 1) in the Customer Information Attachment - the proxies' data and the scope of their authorisations or
- 2) in the electronic banking - the proxies' data and the scope of their authorisations to conclude Today Transactions in the internet transaction platform or the mobile applications.

2. Authorization to represent the Customer

A person duly authorised to represent the Customer in matters related to Transactions shall be a person duly specified, pursuant to the provisions of para. 1, in the Customer Information Attachment or in the electronic banking.

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, in a paper form, specimens of signatures of the authorized persons, unless he/she uses electronic channels enabling the Electronic Signature to be submitted.

If specimens of signatures are affixed in paper form, they are affixed as part of the Customer Information Attachment.

5. Revocation of the Power of Attorney

The power of attorney may be revoked by:

- 1) amending the Customer Information Attachment, unless the Bank accepts revocation of the power of attorney in a different manner. Such an amendment is signed by a person duly authorized to act on behalf of the Customer.
If the Parties have not agreed on another term in the Master Agreement, revocation of a power of attorney shall become effective with respect to the Bank once such information has been entered in the relevant IT system of the Bank. Changes are introduced to the IT system immediately after the relevant document has been delivered to the Bank, or
- 2) revoking, via the electronic banking, the proxies' authorisations to conclude Today Transactions in the internet transaction platform or the mobile applications.

§ 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),
- 4) other as agreed by the Parties.

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.

At the request of the Customer, the Bank may, 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. Change of the Transaction Limit by the Bank

In the event of occurrence of an important reason in the form of:

- 1) substantial changes in the current market conditions or,
- 2) occurrence of an Event of Default, or
- 3) substantial 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).

3. Informing the Customer about the Transaction Limit availability and utilization

The Bank shall notify the Customer about the Transaction Limit granted or changed, by forwarding 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.

The Bank informs the Customer about utilization of the Transaction Limit, as at the Valuation Day falling on the last Business Day of the month preceding the sending of information.

§ 6. Secured Limit

1. Transactions concluded under the Secured Limit

The Bank shall determine the Secured Limit for Transactions specified in Transaction Descriptions:

- 1) Forward Transactions,
- 2) Currency Swap Transactions.

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

Upon the Customer's request, the Bank may conclude a Tomorrow Transaction or a Spot Transaction with the Customer under the Secured Limit at the Bank. Conclusion of the above mentioned Transaction does not require the Customer to establish Initial Collateral /Additional Collateral, but it has an impact on the Secured Limit utilisation.

2. Change of the Secured Limit by the Bank

In the event of occurrence of an important reason in the form of:

- 1) substantial changes in the current market conditions or,
- 2) occurrence of an Event of Default, or
- 3) substantial 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).

3. Informing the Customer about the Secured Limit availability and utilization

The Bank shall notify the Customer about the Secured Limit granted or changed, by providing 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 Secured Limit availability on a given Business Day.

The Bank informs the Customer about utilization of the Secured Limit, as at the Valuation Day falling on the last Business Day of the month preceding the sending of information.

§ 7. Preconditions

The Bank shall start cooperation with the Customer as regards the conclusion of Transactions upon the Customer's fulfilment of the following conditions jointly:

- 1) concluding the Master Agreement with the Bank,
 - 2) setting a Transaction Limit or the Secured Limit for the Customer by the Bank – if required;
 - 3) other determined in the Master Agreement,
- in addition to the above:

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

§ 8. Voluntary Nature of the Transaction Conclusion

1. No commitment to conclude Transactions

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 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.

2. Exclusion of the Parties' liability

The Parties shall not be liable towards each other for damage for which they are not culpable.

§ 9. 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.

§ 10. Offers

Today Transactions, Tomorrow Transactions, Spot Transactions and Commodity Swaps Transactions may be concluded in an offer mode, i.e. as a result of a statement of will to conclude such Transaction made by the Customer (in a method accepted by the Bank), containing material provisions of the Transaction ("Offer") and of the Bank accepting such Offer in the time frame agreed on by the Parties.

The conclusion of any of the aforementioned Transactions takes place when the Bank executes the Offer submitted by the Customer.

§ 11. Transaction Terms Arrangement

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 and via online transaction platform or mobile applications - after making such functionality available to the Customer by the Bank, 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, 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 of the given type shall provide, at the request of the Bank employee, information selected out of the identification data contained in the Customer Information Attachment. Identification data constitutes confidential data and the Customer shall not make it available to unauthorized persons.

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

Transactions executed by a person using identification information available only to the Customer, shall be charged to the Customer,

Transactions executed by a person using identification information available only to the Customer, shall be charged to the Customer,

- 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.

Due to continuous trading and the necessity to enter Transaction Terms into the Bank's IT systems, even though the agreed Transaction Terms are entered immediately after they are agreed on, there can be a time lapse between the agreement and entry of the data.

4. Electronic recording of the Transaction Terms

The Bank records and saves telephone conversations and keep all correspondence (including e-mails) between the Parties to the extent resulting from the applicable provisions of law. The Bank makes it possible for the

Customer to listen to the recorded phone calls and makes available the correspondence with the Customer for the period of five (5) years from the end of the year when the phone call of exchange of correspondence took place, unless relevant law foresees a longer storage period.

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

§ 12. 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), immediately, however, no later than on the Business Day following the day of the Transaction Conclusion Date, in the manner agreed with the Customer.

Confirmation does not require the Bank's signature, and is of informative character, with regard to the Transaction concluded. In the event of a missing Confirmation, the Customer shall inform the Bank immediately of the fact.

In the event the Confirmation does not include all the information which, under the Delegated Regulation, the Bank is obliged to furnish the Customer with in connection with the Transaction, the Bank will provide the Customer with a separate document – "Supplement to the Confirmation", in the same form as the Confirmation, no later than on the Business Day following the specific Transaction Conclusion Date/ early termination/ modification of the Transaction Terms, which contains the required information.

2. Correct Confirmation

All complaints relating to discrepancies between the Transaction Terms and the wording of the Confirmation shall be processed pursuant to the Dispute Early Detection and Solution Procedure in § 27 of the Regulations

The Bank may request the Customer to send feedback on no objections to the wording of the Confirmation.

§ 13. 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, or

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

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

1. Customer Status

Unless a Customer informs the Bank, by way of a signed statement, 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 notify the Bank of this fact by way of a signed statement.

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 of 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 Customer is obliged to reimburse the Bank for any fees incurred by the Bank in connection with acquiring or holding a LEI code in favour of the Customer.

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

1. Authorization to report information

The Customer authorizes the Bank to report ("Reporting") the information under Reporting in compliance with the EMIR Regulations to the Trade Repository kept by Krajowy Depozyt Papierów Wartościowych with which the Bank has concluded a relevant agreement in this scope, unless, under the above-mentioned provisions, the Customer has been classified as an NFC- Customer and therefore the above Reporting obligation is with the Bank under the law.

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.

At the Customer's request, however, not more often than once a month, the Bank shall make available to the Customer, the information reported on the Customer's behalf to the Trade Repository, related to the month to which the Customer's request pertains.

Unless the EMIR Regulations state otherwise, the Bank has the right to cease the Reporting to the Trade Repository on the Customer's behalf in the event of occurrence of justified important reasons (i.e. if the Customer fails to provide the Bank with information required by the Trade Repository, e.g. LEI code).

Should the Bank cease the Reporting, it shall inform the Customer thereof within thirty (30) calendar days of the cease date of the Reporting to the Trade Repository on behalf of the Customer.

3. Cancellation of the Reporting authorization

If the Customer intends to make reports to the Trade Repository on its own or through another party of its choice, and provided that this does not infringe the EMIR Regulations, the Bank and the Customer, under a separate agreement, shall establish conditions for ceasing the Reporting by the Bank.

4. 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 such case, the Customer shall, at the Bank's request, return to the Bank the amount of fee that the Bank incurred in favour of the Trade Repository in relation to the Reporting on behalf of the Customer - based on the fees set by the Repository (specified on the website www.kdpw.pl/pl/uslugi/agencja-numerujaca/LEI/Strony/OplatyLEI.aspx).

The Bank shall not charge a fee for this.

5. Reporting obligation resting on each Party

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), unless the Customer has been classified as a NFC- Customer on the basis of the above provisions - and therefore the above Reporting obligation by virtue of law rests with 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.

§ 16. Derivative Transactions 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.

§ 17. Derivative Transactions Portfolio Reconciliation - in accordance with the EMIR Regulations and preparing a specification of Customer's assets related to Derivative Instruments (in accordance with the Delegated Regulation)

The process of the Derivative Transactions portfolio reconciliation (in accordance with the EMIR Regulations) and preparing a specification of Customer's assets related to Derivative Instruments (in accordance with the Delegated Regulation) consists in providing the Customer, at least on the dates specified in the EMIR Regulations, with relevant information ("the Information") by the Bank, in particular on agreed the most important Transaction Terms and Valuation - for the Derivative Transactions.

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, within five (5) Business Days from the receipt of information, it is deemed that the Parties have reconciled the portfolio of concluded Derivative Transactions and confirmed the status of the Customer's assets with respect to Derivative Transactions.

§ 18. 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.

In the event the Customer Settlement Account is maintained by the Bank, 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 made.

2. Calculations

It is the Bank that calculates any amounts payable by the Party under the Master Agreement and each Transaction, whereas, after receipt of the calculations, the Customer has the right to report reservations thereto in the complaint mode.

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 (if the Customer Settlement Account is maintained by the Bank) with the amount due to it from the Customer on a date agreed upon in a given Transaction, or by paying the amount due to the Bank by the Customer into the Bank Settlement Account on a date agreed upon in a given Transaction.

4. Payment Manner Modification

In cases when the Customer fails to make the payment when due, 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.

§ 19. 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 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 the Customer fails to make the payment when due, the Bank may (i) refrain from making the payment which it is obliged 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, an amount under the exchange rate difference between the FX Rate and the exchange rate applied in the Bank's Closing Transaction:

- 1) is due to the Bank - the Customer shall pay this amount to the Bank.

The payment shall be effected through charging the Customer Settlement Account or any other Customer's account maintained by the Bank with such an amount in a relevant currency.

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 to it at an appropriate exchange rate indicated in the table of exchange rates applied at the Bank at the moment of the collection,

- 2) is due to the Customer – the Bank shall credit the Customer's Settlement Account with this 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 held in the Bank, block the amount paid and on the Business Day following the Settlement Date collect from the Customer Settlement Account held in the Bank the amount indispensable to ensure the Transaction execution by the Customer, or
- 3) on the Settlement Date, block, on the Customer Settlement Account held in the Bank, 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.

§ 20. 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 a 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 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.** Representation made by a Party in accordance with the provisions of the Master Agreement that is found to be untrue.
- 4) **Breach of Financial Obligations under Other Derivative Instruments.** Event when the Party or its Affiliate fails to perform or defaults on the financial obligation (existing or future) arising under the 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 the 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 was filed, or court rendered a decision on initiation of debt composition proceedings, expedited debt composition proceedings, sanitation 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, unless such proceedings do not constitute a threat to the Customers solvency or do not cause a decrease in the value of collaterals established by the Affiliated Entity and if such proceedings were not discontinued within fourteen (14) calendar days from its launch date.
- 9) **Decrease in Collateral Value.** Failure by the Customer to establish the Collateral in situations stipulated in the Regulations, the Collateral established by the Customer or its Affiliate has been lost or its value (established in the same manner as was originally used to determine the value of the Collateral or in another manner agreed on by the Parties) has significantly decreased as compared to the current Transaction valuation, and the Customer or its Affiliate failed to establish, at the Bank's request and by the date indicated in such a request, a 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.

§ 21. 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, by way of signed declaration, about the occurrence of a Termination Event 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.

§ 22. 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 signed notice addressed to the Defaulting Party and quoting the Event of Default that has occurred, do the following:

- a) set an Early Termination Date for all Transactions upon termination of the Master Agreement, 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 signed 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.

Determination of an Early Termination Date by any of the Parties in relation to all or some of the Transactions shall result in early settlement of such Transactions by way of calculating and paying the Net Settlement Amount under the conditions specified in the Regulations.

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 the costs:
 - a) of Transaction market closing or termination,
 - b) incurred in concluding transactions replacing Transactions to which the Early Termination Date applies.
 - c) related to capital exposure and the necessity to maintain liquidity by the Bank,

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 Day 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, including:

- 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, through the Bank, within seven (7) Business Days of the receipt of the Calculation Agent's signed statement quoting the Value of Current Liabilities and Net Settlement Amount, its objections to the Net Settlement Amount calculated by the Calculation Agent, presenting for this purpose relevant calculations received from a bank or a credit institution active in the market of the forward and derivative transactions of the same type as the Transactions under the Early Termination Date.

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 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, or commodity price - customarily applied by the Bank on that day to value such a Transaction.

§ 23. 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, Initial or Additional.

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

Cash collaterals are established as:

- 1) Variable Collateral or Fixed Collateral - in PLN, or
- 2) Initial Collateral or Additional Collateral - in PLN or EUR.

In respect to:

- a) a Customer who is not a Retail Customer - a Collateral is established by way of transfer of ownership of funds to the Bank by the Customer pursuant to the Act on certain financial collateral arrangements of 2 April 2004.

If - for the purpose of establishing a Variable or Fixed Collateral referred above - 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 bid 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 (Security Deposit);

- b) a Retail Customer - the Collateral is established by way establishing a civil, registered or financial pledge, a block or other collateral on the Customer's funds, other than transfer of ownership of funds to the Bank (Limited Property Right).

The Collateral is established and its form is agreed upon in the Agreement on Collateral or in the manner specified in these Regulations.

Establishment of Collateral (including Tangible Assets Collateral or Personal Collateral) may additionally require 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 denoted by the signature of each of the Parties 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 (as long as the remuneration payment has been agreed upon), or
- 2) in the provisions below, unless the Parties have agreed otherwise in the Agreement on Collateral.

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

- a) the Fixed Collateral in the form of cash or Variable Collateral – the Bank shall pay the Customer respective interest remuneration, which will be calculated at a variable interest rate set for each day on which the Collateral is maintained (including the day of payment, and excluding the day of return) - equal to WIBOR 1M rate less the margin equal to one (1) percentage point, with the proviso that if the WIBOR 1M rate decreases to a value equal to or less than the value of the margin, from this day the Customer is not entitled to any interest remuneration. The remuneration due to the Customer increases the amount of, respectively, the Fixed Collateral in the form of cash or the Received Collateral.

- b) Initial Collateral/ Additional Collateral established in PLN - the Bank shall pay the Customer respective interest remuneration, which will be calculated at a variable interest rate set for each day on which the Collateral is maintained (including the day of payment, and excluding the day of return) - equal to WIBOR 1M rate less the margin equal to one (1) percentage point, with the proviso that if the WIBOR 1M rate decreases to a value equal to or less than the value of the margin, from this day the Customer is not entitled to any interest remuneration.

The Bank shall credit the Customer's relevant Settlement Account with the interest due to the Customer, once every calendar month, without the need for the Customer to submit an additional instruction in this regard,

- c) Initial Collateral/ Additional Collateral established in EUR - the Customer shall not be entitled any interest due from the Bank.

In the event that it is not possible to apply the floating interest rate, respectively:

- 1) WIBOR 1M or
- 2) if the Agreement on Collateral so specifies - WIBID O/N or WIBID 1M,

to determine the remuneration, as the rate is, temporarily or permanently, not calculated, the relevant floating interest rate shall be determined by the Bank pursuant to the provisions of Enclosure no. 1 to the Transaction Descriptions.

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) calendar 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 or Initial Collateral/ Additional Collateral, subject to different provisions of the Agreement on 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 Collateral in accordance with the agreement or other legal act-in-law, as a result of which such Collateral has been established.

§ 24. 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 (including to conclude with the Bank an appropriate Agreement on Collateral).

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

- 1) the Customer's economical and legal standing, assessed on basis of documents and information in the term of the Master Agreement, has deteriorated or an event has occurred that threatens the continuity of the Customer's operation, or
- 2) the number or value of transactions involving Derivative Instruments concluded by the Customer, also including transactions concluded with entities other than the Bank, may have a negative impact on the Customer's ability to fulfill its obligations towards the Bank arising from the Transactions, or is not covered by the foreseen secured flows.

Moreover, in a situation where:

- a) the Fixed Collateral value established by the Customer (estimated in the same manner, as was originally used to determine the collateral value or in another manner as agreed on by the Parties) has decreased or
- b) there is a threat of such decrease or
- c) the previously established Fixed Collateral has ceased to be valid or has become lost for reasons beyond the Bank's control,

The Customer shall immediately, at the Bank's request, establish another or additional Fixed Collateral.

2. Amount of Fixed Collateral

Unless the Agreement on Collateral specifies otherwise, the amount of the established Fixed Collateral may not be higher than the amount agreed on by the Parties in the Agreement on Collateral.

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) in the case of Fixed Collateral in the form of:
 - a) a Security Deposit - at the time the required amount is credited to the Bank Collateral Account,
 - b) a Limited Property Right - at the time the required amount (made available by the Customer to the relevant Customer Collateral Account) is covered by the Limited Property Right, pursuant to the Collateral Agreement,
 - c) a Property Collateral or a Limited Property Right for which an entry in the relevant register or books is necessary for its creation - as soon as such entry is made, and in the period prior to such entry - as soon as an application for such entry is duly submitted, provided that such application is not withdrawn before such entry is made,
- 2) in cases other than those mentioned in point 1 - at the time of conclusion of the agreement or at the time agreed with the Bank.

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, unless the Parties decide otherwise, 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.

§ 25. 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. Transactions Valuation. Exposure

The Bank calculates the Valuation of each Transaction on each Valuation Day and provides the Customer with information on the Valuation amount:

- 1) once a week - as at a specific Valuation Date,
- 2) once a month - as at a Valuation Date that falls on the last Business Day of the month preceding providing of information.

In addition, in the case of an Exposure, the Bank shall provide the Customer with information on the amount of such 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:

- 1) with respect to the Variable Collateral being the Security Deposit - upon crediting by the Customers the Bank's Collateral Account with the required amount,
- 2) in the case of Variable Collateral which is Limited Property Right - at the moment of covering the required amount (made available by the Customer in the relevant Customer's Collateral Account) with the established Limited Property Right, in accordance with the Collateral Agreement.

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, to establish such collateral in its favour by debiting 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 earmarked for the establishment of the Variable Collateral.

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 the amount of the Received Collateral is higher than the amount of the Required Collateral (calculated based on

the Valuation from the previous Business Day), the Bank shall, within five (5) Business Days from such Valuation Date, refund the Customer with the PLN amount of the difference between the Received and the Required Collateral, subject to the provisions below.

The Bank has the right to return the lowest of the amounts calculated in the aforementioned manner within the aforementioned period.

The Bank is not obligated to make the return if on any date within the above mentioned period:

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

Notwithstanding the above, the amount of the Variable Collateral shall be returned to the Customer if all the Customer's obligations under the Transaction and the Framework Agreement have been unconditionally satisfied.

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.

§ 26. Initial Collateral/ Additional Collateral

1. Commitment to establish Initial Collateral

A commitment to establish Initial Collateral arises at the Date of Conclusion of a given Transaction, at the moment of Transaction Terms Arrangement by the Parties - for a Transaction concluded under the Secured Limit.

2. Initial Collateral Amount

The Amount and Currency of the Initial Collateral is agreed upon with the Customer in the Transaction Terms.

3. Time of Collateral establishment

The Customer's commitment to establish Initial Collateral shall be deemed executed at the moment the Customer ensures the amount of funds required by the Bank to establish Initial Collateral, in a relevant Customer Settlement Account.

In order to establish Initial Collateral, the Bank shall debit the Customer's Settlement Account with the amount of this Collateral, and credit the following accounts with this amount:

- 1) Bank's Collateral Account - for Initial Collateral which is a Deposit, or
 - 2) Customer's Collateral Account - for Initial Collateral which is Limited Property Right,
- pursuant to the provisions of the Agreement on Collateral or these Regulations.

4. Failure to establish Initial Collateral

Insufficient funds in the Customer's Settlement Account under establishment of Initial Collateral may result in the Bank's refusal to conclude the Transaction.

In the case of the concluded Transaction for which no Initial Collateral has been established due to insufficient funds in the Customer's Settlement Account, the Bank has the right to establish the Early Termination Date for this Transaction or all Transactions concluded under the Secured Limit.

5. Transactions Valuation

The Bank calculates the Valuation of each Transaction on each Valuation Date and communicates the amount of such Valuation to the Customer:

- 3) once a week - as at a specific Valuation Date,
- 4) once a month - as at a Valuation Date that falls on the last Business Day of the month preceding providing of information.

In addition, in the situations described in item 6, the Bank shall provide the Customer with information on the Valuation of the Transaction concluded under the Secured Limit.

6. Additional Collateral Amount

In the event that the Valuation of the Transaction concluded under the Secured Limit is a negative value for the Customer and its absolute value exceeds the amount constituting:

- 1) 75% of the Initial Collateral Amount (if the Parties have not agreed otherwise), and the Customer has not previously brought in Additional Collateral:
 - a) the Bank has the right to call the Customer to bring in Additional Collateral;
 - b) the Customer is obliged to bring in Additional Collateral in the amount equivalent to the absolute value of the negative Transaction Valuation and before the date indicated in the call referred to in section a), or
- 2) a sum of: (a) 75% of the Initial Collateral Amount (unless the Parties have agreed otherwise) and (b) Additional Collateral amount:
 - the Bank has the right to call the Customer to bring in supplementary Additional Collateral;
 - the Customer is obliged to bring in supplementary Additional Collateral (a) in the amount equivalent to

the absolute value of the negative Transaction Valuation and the Additional Collateral brought in and (b) before the date, indicated in the call referred to in the first indent.

7. Commitment to establish Additional Collateral
At the Bank's request, the Customer undertakes to establish the Additional Collateral by 4:00 pm of the Business Day following the date of receiving such a request.

8. Time of Collateral establishment
The Customer's commitment to bring in Additional Collateral shall be deemed performed at the moment of the Customer ensuring an amount of funds required by the Bank for the purpose of establishment of this Collateral, in the relevant Customer's Settlement Account.

In order to establish Additional Collateral, the Bank shall debit the Customer's Settlement Account with the amount of this collateral, and credit the following accounts with this amount:

- 1) Bank's Collateral Account – for Additional Collateral which is a Security Deposit, or
- 2) Customer's Collateral Account – for Additional Collateral which is Limited Property Right, pursuant to the provisions of the Agreement on Collateral or these Regulations.

9. Failure to establish Additional Collateral
In the case of failure by the Customer to bring in Additional Collateral, the Bank has the right, irrespective of the right to set an Early Termination Date in relation to a given Transaction or all the Transactions concluded under the Secured Limit, to establish this Collateral in its own favour by debiting any of the Customer's accounts at the Bank with the amount necessary for the establishment of such Collateral.

Where the amount debited by the Bank is denominated in a currency other than the Collateral currency, the Bank:

- 1) where the Collateral currency is PLN - shall convert this amount into Collateral currency at the rate of purchase by the Bank of this other currency for the Collateral currency, as per the table of exchange rates applied by the Bank at the time of such a currency conversion, or
- 2) where the Collateral currency is EUR:
 - a) shall convert this amount into PLN at the rate of purchase by the Bank of this other currency for PLN, then
 - b) shall convert this amount in PLN into Collateral currency at the rate of sales by the Bank of this currency for PLN, as per the table of exchange rates applied by the Bank at the time of such a currency conversion.

10. Collateral Refund

The Bank shall refund the Collateral established for the Transaction concluded under the Secured Limit, in whole or in part, respectively:

- 1) not later than on the Business Day following the Settlement Date for a given Transaction - in the event of timely payment made by the Customer under this Transaction. Then, the Bank shall refund the Collateral in whole,
- 2) within two (2) Business Days of the date of receipt from the Customer of a request to refund the Additional Collateral - if on the Settlement Date for a given Transaction, preceding the Business Day of receipt of the request by the Bank:
 - a) Valuation of this Transaction is positive value for the Customer. Then the Bank shall refund the Additional Collateral,
 - b) Valuation of this Transaction is negative value for the Customer and at the same time the amount of the Additional Collateral brought in is greater than the absolute value of the negative Transaction Valuation. Then the Bank shall refund the Collateral in the amount which is a difference between the established Additional Collateral and an absolute value of the negative Transaction Valuation.

§ 27. 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) Immediately, not later than until the end of the Business Day on which the Customer received the Confirmation - if the Settlement Date falls within up to two (2) Business Days of the Transaction Conclusion Date;
- 2) within the period no longer than two (2) Business Days of Confirmation receipt day - if the Settlement Date falls within the period longer than two (2) Business Days of the Transaction Conclusion Date.

In the event the Customer disagrees with the information received from the Bank presenting the Valuation of individual Transactions/ 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.

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.

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.

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 Client:

- 1) electronically - via electronic banking systems or using a complaint form at website www.bnpparibas.pl
- 2) over the phone:
 - +48 500 990 500 – for domestic calls
 - +48 22 134 00 00 – for domestic and international calls (the operator's rates apply)
- 3) in writing to the following address:

BNP Paribas Bank Polska S.A.
Biuro Zarządzania Procesem Rozpatrywania Reklamacji (Complaints Handling Bureau)
ul. Oświęcimska 9
41-707 Ruda Śląska
- 4) personally - in any Bank's branch. A complaint may be filed verbally or in writing.

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.

If additional information or documents are required to process a complaint, the Bank may request the Customer to present it.

The Bank maintains a register of complaints lodged, recording there 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 § 12 shall apply accordingly to a new Confirmation received,
- 2) complaints regarding inaccuracy of the Valuation of individual Transactions, sum of Transaction Valuation as at a Valuation 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 fifth (5th) Business Day of the receipt of the complaint by the Bank,
- 3) other complaints - promptly, yet not later than within thirty (30) calendar 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) calendar 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 in the manner specified by the Customer, i.e. on paper or another durable medium (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.

§ 28. Orders Execution Policy

The Bank applies the "Policy of Executing the Orders of the Customer of the Global Markets Line of BNP Paribas Bank Polska S.A." ("**the Policy**") with respect to conclusion of Derivative 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 of BNP Paribas Bank Polska S.A."

Conclusion of Derivative Transactions, covered by the Policy, is tantamount to expressing consent by the Customer to apply the Policy to the Customer.

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 of BNP Paribas Bank Polska S.A.". The Customer will receive respective information on the Policy changes via e-mail.

Except as otherwise provided in the Master Agreement or the Customer Information Attachment, changes to the Policy will be made available via the website by amending the "Information Package for the Customer of the Global Markets Line of BNP Paribas Bank Polska S.A." accordingly. The Customer will then receive the relevant information about the Policy change on a durable medium within the meaning of the Delegated Regulation, via email.

Conclusion of a Derivative 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.

§ 29. Amendments to the Regulations

1. Reasons for the Regulations amendment

The Bank may unilaterally amend the Regulations exclusively for significant reasons, including:

- 1) introduction of new or amendments to the applicable law provisions, or issuance by authorized state bodies of recommendations or interpretations, as well as a specific administrative decision on the manner of these law provisions application - to the extent to which the Bank is obligated to implement or apply such provisions in order to duly perform the Master Agreement,
- 2) changes in the Bank's products and services related to technical and IT progress, which increase security or facilitate the Customer to use the services and products of the Bank, provided that this ensures duly performance of the Master Agreement, and makes it necessary to adjust the provisions of the Regulations;
- 3) change of the functionality of banking services or products offered by the Bank resulting from changes of the Bank's IT infrastructure, which entail no additional obligations of the Customer, to the extent in which it results in the need to adjust the provisions of the Regulations;

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) since the effective date of the new Regulations,
- 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 shall become effective, if the Customer, within fourteen (14) calendar 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 the Customer submitted a statement on acceptance of the amendments to the Regulations prior to expiration of that period. In the termination period the provisions of the existing Regulations shall apply, subject to the next sentence.

In the event that the Customer concludes a Transaction in the termination period, after the effective date of the new Regulations, the provisions of the new Regulations shall apply to the concluded Transactions.

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 fulfillment by the Parties of all payment obligations arising from the concluded Transactions. Until this point, all the provisions of the amended Regulations and the Agreement on Collateral shall remain in force in relation to the Transactions and Collateral.

§ 30. Termination of the Master Agreement.

The Master Agreement may be terminated:

- 1) if the Parties have not entered into Transactions or fulfilled all obligations arising from the Transactions - by either Party upon one month's notice signed by persons authorized to do so, or
- 2) by mutual agreement of the Parties.

The Master Agreement shall also terminate, subject to § 29(4), on the date on which the agreement or agreements under which the Bank maintains bank accounts for the Customer are terminated, unless otherwise agreed.

§ 31. 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 Regulation, 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 Transaction. When providing the advice, the Bank acts in the best interest of the Customer.

2. Form of providing advice

Advice is provided in a form chosen by the Bank.

3. Scope of advice

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.

§ 32. 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.

2. Assignment of rights

Due to the individual Customer assessment, the Customer may not assign its receivables arising under any Transaction without the Bank's prior consent.

3. Costs incurred by the Customer in connection with the Transactions

Information on the costs incurred by the Customer in connection with the Transactions is included in Enclosure no. 1 to the Regulations.

4. Bank Guarantee Fund

The Customer's receivables due from the Bank, arising under the Master Agreement or Transactions concluded thereunder, other than Collateral funds in the form of Limited Property Right, 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.

5. Rules for setting the exchange rates indicated in the Bank's FX rates table. Availability of the Bank's current FX rates table.

Information on the rules for setting the exchange rates indicated in the Bank's FX rates table and the availability of the Bank's current FX rates table is specified in Enclosure no. 3 to the Regulations.

6. Ban on speculation in Derivative Instruments

The Customer is obligated to conclude Derivative Transactions with the Bank and also with entities other than the Bank, only to hedge against financial risk resulting from the business activity conducted. The Customer is obligated to conclude no transactions with a view to speculation, including multiple hedges of the same financial risk.

In view of the above, the Customer is further obligated to ensure that any Derivative Transactions concluded by it with the Bank or other entities - are at any time duly adjusted to and compliant with the conditions of the obligations that give rise to the financial risk hedged by the Transactions.

To avoid any doubts, as far as the Derivative Transactions concluded with the Bank are concerned - the Customer is obligated, in the case of a change or early performance of

the obligation with respect to which a specific Transaction is concluded:

- 1) to conclude a transaction that appropriately changes the Transaction Terms or the Closing Transaction or another Transaction resulting in early closing and settlement of the Transaction, or take other actions resulting in early closing and settlement of the Transaction, and
- 2) to bear in full any costs related to the change of the Transaction Terms or conclusion of the Closing Transaction, provided that such costs occur.

Costs incurred by the Customer in connection with the Transactions

With regard to the Transactions, the Customer shall bear the costs (i.e. a margin, which is the difference between the Transaction price for the Customer and the price of maintaining the position for the Bank) included in the price of the Transactions or in the price of early Transaction termination, depending on:

- 1) Transactions Terms or early Transaction termination (e.g. volume, currencies / interest rates / commodities, duration, complexity);
- 2) counterparty risk - the risk incurred by the Bank that the Customer will fail to fulfil its obligations towards the Bank,
- 3) cost of the Bank's equity allocated to a given Transaction or early Transaction termination,
- 4) operating costs related to the Transaction or early Transaction termination,
- 5) extraordinary market events.

The total costs of a transaction related to a financial instrument include solely a margin included in the Transaction price.

The actually applied margin decreases the return on investment in favour of the Customer.

Once a year, the Bank provides the Customer with a report on the costs and fees that the Customer incurred in the previous calendar year - in connection with the Transactions ("Annual Cost Statement").

With regard to Retail Customers, the Bank shall provide the Customer with information on costs - also in documents containing key information specified in the PRIIP Regulation.

Maximum margins

Below we present maximum margins which can be charged by the Bank depending on a Transaction type. The margin actually charged may be lower.

In the event of extraordinary market events, understood as:

- 1) change of the EURUSD fixing rate (published by the European Central Bank) or the EURPLN or USDPLN fixing rate (published by the National Bank of Poland) - by min. 5% within a period of thirty (30) calendar days,
- 2) change of the deposit rate (published by the European Central Bank) or the reference rate (published by the National Bank of Poland) - by min. fifty (50) basis points within a period of thirty (30) calendar days,

the margins charged may be higher than those specified below.

The maximum margins are presented based on an assumption, on an indicative basis, of an investment amount of PLN 100,000 and the Transaction settlement in two terms – up to one (1) year and up to two (2) years of the Transaction Conclusion Date.

Investment initial value: PLN 100,000.00					
Investment period		≤ 1 year		≤ 2 years	
Instrument	Details of the Transactions	PLN	%	PLN	%
Forward Transactions, NDF Transactions, FX Swap Transactions, Flexiterm Forward Transactions	Cost of the investment service	0.00	0%	0.00	0%
	Cost of the financial instrument	3500.00	3.50%	4500.00	4.50%
	Payments from third parties	0.00	0%	0.00	0%
	Total of costs and fees incurred by the Customer	3500.00	3.50%	4500.00	4.50%
Currency Options (including strategies built on the basis of FX Options)	Cost of the investment service	0.00	0%	0.00	0%
	Cost of the financial instrument	3500.00	3.50%	4500.00	4.50%
	Payments from third parties	0.00	0%	0.00	0%
	Total of costs and fees incurred by the Customer	3500.00	3.50%	4500.00	4.50%
IRS Transactions, CIRS Transactions	Cost of the investment service	0.00	0%	0.00	0%
	Cost of the financial instrument	1000.00	1.00%	2000.00	2.00%
	Payments from third parties	0.00	0%	0.00	0%
	Total of costs and fees incurred by the Customer	1000.00	1.00%	2000.00	2.00%
Interest Rate Options (including strategies built on the basis of Interest Rate Options)	Cost of the investment service	0.00	0%	0.00	0%
	Cost of the financial instrument	3500.00	3.50%	4500.00	4.50%
	Payments from third parties	0.00	0%	0.00	0%
	Total of costs and fees incurred by the Customer	3500.00	3.50%	4500.00	4.50%
Commodity Swap Transactions	Cost of the investment service	0.00	0%	0.00	0%
	Cost of the financial instrument	3500.00	3.50%	4500.00	4.50%
	Payments from third parties	0.00	0%	0.00	0%
	Total of costs and fees incurred by the Customer	3500.00	3.50%	4500.00	4.50%

With regard to Forward Transactions, NDF Transactions, Currency Swap Transactions - the maximum margin is 3.5% of a Notional Amount - for the Transaction with the Settlement Date up to one (1) year, and in addition, maximum 1% of the Notional Amount for each subsequent commenced year of the Transaction duration. The maximum margin may be charged both when the Transaction is entered into and when the Transaction is terminated early.

With regard to Flexiterm Forward Transactions - the maximum margin is 3.5% of a Notional Amount - for the Transaction with the Termination Date up to one (1) year, and in addition, maximum 1% of the Notional Amount for each subsequent commenced year of the Transaction duration. The maximum margin may be charged both when the Transaction is entered into and when the Transaction is terminated early.

With regard to Currency Options (including strategies built on the basis of Currency Options) - the maximum margin is 3.5% of a Notional Amount - for the Transaction with the Expiry Date up to one (1) year, and in addition, maximum 1% of the Notional Amount for each subsequent commenced year of the Transaction duration. The maximum margin may be charged both when the Transaction is entered into and when the Transaction is terminated early. In the case of strategies built on the basis of FX Options – the maximum margin applies to the entire strategy.

With regard to IRS and CIRS Transactions - the maximum margin is (1) percentage point included in the value of the Customer's Reference Rate or the Bank's Reference Rate. The margin may be charged both when the Transaction is entered into and when the Transaction is terminated early, but the sum of the margins actually charged may not exceed the maximum margin.

With regard to Interest Rate Options (including strategies built on the basis of Interest Rate Options) - the maximum margin is 3.5% of the Notional Amount - for the Transaction with the Expiry Date up to one (1) year, and in addition, maximum 1% of the Notional Amount for each subsequent commenced year of the Transaction duration. The margin may be charged both when the Transaction is entered into and when the Transaction is terminated early, but the sum of the margins actually charged may not exceed the maximum margin. For Transactions that have different notional amounts in each interest period, the maximum margin is calculated on the basis of the highest notional amount among the notional amounts occurring in the respective interest periods. In the case of strategies built on the basis of Interest Rate Options – the maximum margin applies to the entire strategy.

With regard to Commodity Swap Transactions - the maximum margin is 3.5% of the Fixed Price or the Floating Price value - for the Transaction with the Termination Date up to one (1) year, and in addition, maximum 1% of the Fixed Price or the Floating Price value for each subsequent commenced year of the Transaction duration. The maximum margin may be charged both when the Transaction is entered into and when the Transaction is terminated early.

Averaged margins

Averaged margins are presented below, charged historically by the Bank over a period of at least twelve (12) months, depending on the type of Transaction.

The averaged margins are presented on the assumption that an exemplary investment Transaction of PLN 100,000 is made and settled on exemplary dates.

Investment initial value: PLN 100,000.00								
Investment period	≤ 3 months		3 up to 12 months (inclusive)		12 up to 24 months (inclusive)		> 24 months	
Instrument	PLN	%	PLN	%	PLN	%	PLN	%
Forward Transactions, NDF Transactions, FX Swap Transactions, Flexitem Forward Transactions	20,73	0,02%	221,26	0,22%	214,18	0,21%	171,01	0,17%
Currency Options (including strategies built on the basis of FX Options)	205,38	0,21%	204,44	0,20%	186,63	0,19%	89,68	0,09%

Investment initial value: PLN 100,000.00						
Investment period	≤ 3 years		3 to 5 years (inclusive)		> 5 years	
Instrument	PLN	%	PLN	%	PLN	%
IRS Transactions, CIRS Transactions	189,08	0,19%	910,94	0,91%	835,39	0,84%
Interest Rate Options (including strategies built on the basis of Interest Rate Options)	454,04	0,45%	352,53	0,35%	410,61	0,41%

Investment initial value: PLN 100,000.00								
Investment period	≤ 1 month		1 to 3 months (inclusive)		3 to 6 months (inclusive)		> 6 months	
Instrument	PLN	%	PLN	%	PLN	%	PLN	%
Commodity Swap Transactions	143,30	0,14%	139,97	0,14%	207,00	0,21%	294,57	0,29%

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

§1. Definitions

I. Definitions related to Currency Options

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

Administrator	a term defined in the Enclosure no. 1 to the Transaction Descriptions.
Barrier	a requirement that conditions activation or expiry of the Buyer's right to exercise an Option;
Knock down & in Barrier	a Barrier Level below the current FX rate for the Transaction pair of currencies as of the Transaction Conclusion Date, which conditions the activation of the Buyer's right to exercise the Option.
Knock down & out Barrier	a Barrier Level below the current FX rate for the Transaction pair of currencies as of the Transaction Conclusion Date, which conditions the expiry of the Buyer's right to exercise the 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, (a) <u>on which</u> or (b) <u>until which</u> the Option Buyer may exercise its rights arising under an Option Transaction. In the event referred to in section (b), the Expiry Date falls in the period from the Transaction Conclusion date to the Termination Date (inclusive).
Settlement Date	a Business Day agreed upon in the Transaction Terms when the mutual settlement between the Parties under the Transaction takes place. In the event for the purposes of the Transaction Terms Arrangement, the Expiry Date is defined as the Business Day falling in the period from the Transaction Conclusion Date till the Termination Date (inclusive), the Settlement Date falls, unless the Parties decide otherwise, on the second (2) Business Day following the Expiry Date.
Termination Date	a Business Day agreed upon in the Transaction terms, in order to determine the Expiry Date which falls in the period from the Transaction Conclusion Date till the Termination Date (inclusive).
Cut-Off Time	the hour defined as such in the place agreed upon in the Transaction Terms.
Knock up & in Barrier	a Barrier Level above the current FX rate for the Transaction pair of currencies as of the Transaction Conclusion Date, which conditions the activation of the Buyer's right to exercise the Option
Knock up & out Barrier	a Barrier Level above the current FX rate for the Transaction pair of currencies as of the Transaction Conclusion Date, which conditions the expiry of the Buyer's right to exercise the Option.
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 FX rate for a pair of currencies which are the subject-matter of the Option Transaction, 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.
Barrier type	a characteristic of a Barrier which defines the situation in which the Buyer's right to exercise the Option is activated or expires. The Parties may agree upon the following Barrier types for the specific Option: knock up & out, knock up & in, knock down & in, knock down & out).
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:

Administrator	a term defined in the Enclosure no. 1 to the Transaction Descriptions.
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.
RFR Banking Day	means any day except for: (a) Saturday and Sunday and (b) any other day during which banks in the country of the currency of the RFR are closed for their regular activity.
Settlement Date	the last Business Day of each Interest Period on which the Settlement Amount is paid.
Effective Date	in respect of a Transaction: <ol style="list-style-type: none"> 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: <ol style="list-style-type: none"> 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.
EURIBOR	Euro Interbank Offered Rate administrated by European Money Markets Institute (EMMI) or other entity to fulfil this function in the future. It is calculated and published according to the rules specified at www.emmi-benchmarks.eu within deadlines provided by the Administrator. The reference next to the rate name means the period it refers to, e.g.: 1M – one month, 3M – three months, 6M – six months, 1Y – one year.

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.
LIBOR	London Interbank Offered Rate administered by ICE Benchmark Administration Limited or any other entity to fulfil this function in the future. It is calculated and published according to the rules specified at www.theice.com within deadlines provided by the Administrator. The reference next to the rate name means the period it refers to, e.g.: 1M – one month, 3M – three months, 6M – six months, 1Y – one year.
Compounding Method	the method of calculating Compounded RFR Rate, specified in Transaction Terms, which may be: (a) the method without observation shift or (b) the method with observation shift. Unless otherwise specified in the Transaction Terms, it is deemed that the Parties have agreed the method without observation shift.
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.
Lookback Period	five (5) RFR Banking Days or a different number of RFR Banking Days if so specified in the Transaction Terms.
Transaction Description	this Option Transaction Description.
Premium	the price for entering into a Transaction, which the Buyer is obliged to pay to the Seller on the Premium Payment Date.
SARON	the Swiss Average Rate Overnight, the Administrator of which is SIX Swiss Exchange or another entity which assumes this role in the future.
SOFR	the Secured Overnight Financing Rate, the Administrator of which is Federal Reserve Bank of New York or another entity which assumes this role in the future.
SONIA	the Sterling Over Night Index Average, the Administrator of which is Bank of England or another entity which assumes this role in the future.
Compounded RFR Rate	the Reference Rate at which the interest is calculated on the Notional Amount in accordance with provisions of Enclosure 2 to the Transaction Description based on the RFR.
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	respectively: 1) the interest rate indicated in the Transaction Terms (the value of the reference rate applicable for the currency and specific period, e.g.: WIBOR, LIBOR, EURIBOR, Term SOFR, Term SONIA ICE or Term SONIA Refinitiv), announced on dates agreed upon in the Transaction Terms (" Fixing Date "), or 2) the Compounded RFR Rate based on the RFR specified in Transaction Terms (Compounded RFR Rate based on SONIA, Compounded RFR Rate based on SOFR or Compounded RFR Rate based on SARON).
RFR	SONIA, SOFR or SARON being the basis for the Compounded RFR Rate.
Term SOFR	the CME Term SOFR Reference Rate, the Administrator of which is CME Group Benchmark Administration Limited or another entity which assumes this role in the future. The index next to the name of the rate indicates the period to which it applies, e.g.: 1M – one month, 3M – three months, 6M – six months.
Term SONIA ICE	the ICE Term SONIA Reference Rate, the Administrator of which is ICE Benchmark Administration Limited or another entity which assumes this role in the future. The index next to the name of the rate indicates the period to which it applies, e.g.: 1M – one month, 3M – three months, 6M – six months, 12M – twelve months.
Term SONIA Refinitiv	the Refinitiv Term SONIA, the Administrator of which is Refinitiv Benchmark Services (UK) Limited or another entity which assumes this role in the future. The index next to the name of the rate indicates the period to which it applies, e.g.: 1M – one month, 3M – three months, 6M – six months, 12M – twelve months.
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.
WIBOR	Warsaw Interbank Offered Rate administered by GPW Benchmark S.A. or any other entity to fulfil this function in the future. It is calculated and published according to the rules specified in the WIBID and WIBOR Reference Rates Regulation at www.gpwbenchmark.pl within deadlines provided by the Administrator. The reference next to the rate name means the period it refers to, e.g.: 1M – one month, 3M – three months, 6M – six months, 1Y – one year.

§ 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 Buyer acquires the right to purchase on the Expiry Date from the Seller, and the Option Seller, should the Buyer exercise his right, undertakes to sell on that day to the Buyer the Notional Amount (or, as long as the Parties decide so, a part of the Notional Amount – with respect to the Option for which the Expiry Date falls in the period between the Transaction Conclusion Date and Termination Date (inclusive)) 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 (or, as long as the Parties decide so, a part of the Notional Amount – with respect to the Option for which the Expiry Date falls in the period between the Transaction Conclusion Date and Termination Date (inclusive)) and the difference between the Reference Rate and the Strike Rate.
- Knock Down & In Call Option (Opcja Kupna or Opcja Call; z Dolną Barierą Aktywującą).** Through the conclusion of a Knock Down & 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.
- Knock Up & In Call Option (Opcja Kupna or Opcja Call z Górną Barierą Aktywującą).** Through the conclusion of a Knock Up & 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 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.
- Knock Down & Out Call Option (Opcja Kupna or Opcja Call z Dolną Barierą Wygaszającą).** Through the conclusion of a Knock Down & 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.
- Knock-Up & Out Call Option (Opcja Kupna or Opcja Call z Górną Barierą Wygaszającą).** Through the conclusion of a Knock Up & 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 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.
- 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 (or, as long as the Parties decide so, a part of the Notional Amount – with respect to the Option for which the Expiry Date falls in the period between the Transaction Conclusion Date and Termination Date (inclusive)) 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 (or, as long as the Parties decide so, a part of the Notional Amount – with respect to the Option for which the Expiry Date falls in the period between the Transaction Conclusion Date and Termination Date (inclusive)), and the difference between the Strike Rate and Reference Exchange Rate.
- Knock Down & In Put Option (Opcja Sprzedaży or Opcja Put z Dolną Barierą Aktywującą).** Through the conclusion of a Knock Down & 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.
- Knock Up & In Put Option (Opcja Sprzedaży or Opcja Put z Górną Barierą Aktywującą).** Through the conclusion of a Knock Up & 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 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.
- Knock Down & Out Put Option (Opcja Sprzedaży or Opcja Put z Dolną Barierą Wygaszającą).** Through the conclusion of a Knock Down & 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. **Knock Up & Out Put Option (Opcja Sprzedaży or Opcja Put z Górną Barierą Wygaszającą).** Through the conclusion of a Knock Up & 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.
11. **Inability to determine the Reference Exchange Rate or Barrier Reference Exchange Rate.** In the event of inability to determine the Reference Exchange Rate or Barrier Reference Exchange Rate in the manner specified in the Transaction Terms, as result of lack of publication of such rate or occurrence of a change in the manner of setting the rate by the Administrator, the provisions of the Enclosure no. 1 to the Transactions Descriptions shall apply.
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 provide that the Barrier Period is identical with the Expiry Date, defined as the Business Day agreed upon in the Transaction Terms, on which the Buyer may exercise its right under the Option Transaction, 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 Procentową 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, or Premium payment in instalments.
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 (a) the Notional Amount and (b) the difference between the Strike Rate and the Reference Rate and (c) the quotient of the number of days in the Interest Period and the number of days in a year (pursuant to the interest accrual convention agreed upon). 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. **Floor Option (Opcja Na Stopę Procentową 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 (a) the Notional Amount and (b) the difference between the Strike Rate and the Reference Rate and (c) the quotient of the number of days in the Interest Period and the number of days in a year (pursuant to the interest accrual convention agreed upon). 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.
3. **Inability to determine the Reference Rate, loss of representativeness, changed method of calculation.** If the Bank is unable to determine the Reference Rate in the manner specified in the Transaction Terms as the Reference Rate or the RFR is, temporarily or permanently, not calculated, its method of calculation changes or it loses representativeness, the provisions of Enclosure no. 1 to the Transaction Descriptions shall apply.
4. **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.

§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/Typ 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/Expiration Date (*Dzień Realizacji*);
 - 12) Settlement Date (*Dzień Rozliczenia*);
 - 13) Termination Date (*Dzień Zakończenia*) (in the event the Expiry Date falls in the period between the Transaction Conclusion Date and the Termination Date);
and in the case of Barrier Currency Option Transaction additionally also:
 - 14) Barrier Period (*Okres Obserwacji Bariery*);
 - 15) Type of Barrier (*Rodzaj Bariery*);
 - 16) Barrier Level (*Poziom Bariery*);
 - 17) Barrier Reference Rate (*Kurs 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/Typ 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) in case of Reference Rate being Compounded RFR Rate (*Stopa Składana*) only:
 - a) Lookback Period (*Okres Przesunięcia*), if it is different than five (5) RFR Banking Days;
 - b) Compounding Method, if it is different than the method without observation shift;
 - 9) Interest Rate Period (*Okres Odsetkowy*);
 - 10) number of Interest Rate Periods (*Liczba Okresów Odsetkowych*);
 - 11) Premium (*Premia*);
 - 12) Premium Payment Date(s) (*Dzień/Dni Płatności Premii*);
 - 13) Expiry Date/Expiration Date (*Dzień Realizacji*);
 - 14) Settlement Date (*Dzień Rozliczenia*);
 - 15) Effective Date (*Dzień Rozpoczęcia*);
 - 16) Termination Date (*Dzień Zakończenia*).

§4. Transaction Execution

1. **Transaction Execution.** Transactions are executed in the manner described below:

- 1) If the Customer is the Option Buyer, then in order to report the wish to not 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". If there is no contact from the Customer, the Bank will exercise the Option, granted that the conditions below are satisfied:
 - a) for a Put Option, Knock Down & In Put Option, Knock Up & In Put Option, Knock Down & Out Put Option and Knock Up & Out Put Option - if at Cut-Off Time the Strike Rate is higher than the Reference Rate; this provision shall not apply to a Knock-In Option in which the Option Buyer's right to exercise the Option did not come into existence; it also does not apply to a Knock-Out Option in which the Option Buyer's right to exercise the Option ceased to exist;
 - b) for a Call Option, Knock Down & In Call Option, Knock Up & In Call Option, Knock Down & Out Call Option and Knock Up & Out Call Option - if at Cut-Off Time the Strike Rate is lower than the Reference Rate; this provision shall not apply to a Knock-In Option in which the Option Buyer's right to exercise the Option did not come into existence; it also does not apply to a Knock-Out Option in which the Option Buyer's right to exercise the Option ceased to exist;
 - c) for an Interest Rate Cap Option - if on the Expiry Date the Strike Rate is lower than the Reference Rate determined for the relevant Interest Rate Period;
 - d) for an Interest Rate Floor Option - if on the Expiry Date the Strike Rate is higher than the Reference Rate determined for the relevant Interest Rate Period;
- 2) if the Bank is the Option Buyer, then it shall exercise the Option after the conditions listed in sections a-d respectively are fulfilled.

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 Confirmation of exercise of Option.

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:

Administrator	a term defined in the Enclosure no. 1 to the Transaction Descriptions
Interest Payment Date	the last Business Day of a given Interest Period.
RFR Banking Day	means any day except for: (a) Saturday and Sunday and (b) any other day during which banks in the country of the currency of the RFR are closed for their regular activity.
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.
EURIBOR	Euro Interbank Offered Rate administrated by European Money Markets Institute (EMMI) or other entity to fulfil this function in the future, It is calculated and published according to the rules specified at www.emmi-benchmarks.eu within deadlines provided by the Administrator. The reference next to the rate name means the period it refers to, e.g.: 1M – one month, 3M – three months, 6M – six months, 1Y – one year.
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	defined in the CIRS Transaction Terms exchange rate respectively: Currency units for the Customer's Notional Amount expressed in the Currency units for the Bank's Notional Amount or Currency unit for the Bank's Notional Amount expressed in the Currency units for the Customer's Notional Amount;
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.
LIBOR	London Interbank Offered Rate administrated by ICE Benchmark Administration Limited or any other entity to fulfil this function in the future. It is calculated and published according to the rules specified at www.theice.com within deadlines provided by the Administrator. The reference next to the rate name means the period it refers to, e.g.: 1M – one month, 3M – three months, 6M – six months, 1Y – one year.
Compounding Method	the method of calculating Compounded RFR Rate, specified in Transaction Terms, which may be: (a) the method without observation shift or (b) the method with observation shift. Unless otherwise specified in the Transaction Terms, it is deemed that the Parties have agreed the method without observation shift.
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 ");
Lookback Period	five (5) RFR Banking Days or a different number of RFR Banking Days if so specified in the Transaction Terms.
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.
SARON	the Swiss Average Rate Overnight, the Administrator of which is SIX Swiss Exchange or another entity which assumes this role in the future.
SOFR	the Secured Overnight Financing Rate, the Administrator of which is Federal Reserve Bank of New York or another entity which assumes this role in the future.
SONIA	the Sterling Over Night Index Average, the Administrator of which is Bank of England or another entity which assumes this role in the future.
Compounded RFR Rate	the Bank Reference Rate or the Customer Reference Rate - calculated in line with the provisions on Enclosure no. 2 to the Transaction Descriptions, based on the RFR Rate.
Bank Reference Interest Rate	fixed interest rate agreed on in the Transaction Terms or, respectively: <ol style="list-style-type: none"> 1) variable interest rate indicated in the Transaction Terms (the value of the reference rate applicable for the currency and specific period, e.g.: WIBOR, LIBOR, EURIBOR, Term SOFR, Term SONIA ICE or Term SONIA Refinitiv), announced on dates agreed upon in the Transaction Terms ("Fixing Date"), 2) the Compounded RFR Rate based on the SOFR specified in Transaction Terms (Compounded RFR Rate based on SONIA, Compounded RFR Rate based on SOFR or Compounded RFR Rate based on SARON), based on which the Notional Amount interest (or the Bank's Notional Amount interest) is calculated.
Customer Reference Rate	fixed interest rate agreed on in the Transaction Terms or, respectively: <ol style="list-style-type: none"> 1) variable interest rate indicated in the Transaction Terms (the value of the reference rate applicable for the currency and specific period, e.g.: WIBOR, LIBOR, EURIBOR, Term SOFR, Term SONIA ICE or Term SONIA Refinitiv), announced on dates agreed upon in the Transaction Terms ("Fixing Date"), 2) the Compounded RFR Rate based on the SOFR specified in Transaction Terms (Compounded RFR Rate based on SONIA, Compounded RFR Rate based on SOFR or Compounded RFR Rate based on SARON), based on which the Notional Amount interest (or the Customer's Notional Amount interest) is calculated.
RFR	SONIA, SOFR or SARON being the basis for the Compounded RFR Rate.
Term SOFR	the CME Term SOFR Reference Rate, the Administrator of which is CME Group Benchmark Administration Limited or another entity which assumes this role in the future. The index next to the name of the rate indicates the period to which it applies, e.g.: 1M – one month, 3M – three months, 6M – six months.
Term SONIA ICE	the ICE Term SONIA Reference Rate, the Administrator of which is ICE Benchmark Administration Limited or another entity which assumes this role in the future. The index next to the name of the rate indicates the period to which it applies, e.g.: 1M – one month, 3M – three months, 6M – six months, 12M – twelve months.
Term SONIA Refinitiv	the Refinitiv Term SONIA, the Administrator of which is Refinitiv Benchmark Services (UK) Limited or another entity which assumes this role in the future. The index next to the name of the rate indicates the period to which it applies, e.g.: 1M – one month, 3M – three months, 6M – six months, 12M – twelve months.
Transaction, Swap	
Transaction	an IRS Transaction, CIRS Transaction or such other Transaction type as agreed from time to time by and between the Parties.
Currency for Bank's Notional Amount	currency defined in the CIRS Transaction Terms in which the Bank's Notional Amount is expressed.
Currency for Customer's Notional Amount	currency defined in the CIRS Transaction terms in which the Customer's Notional Amount is expressed.

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.
WIBID	Warsaw Interbank Bid Rate administrated by GPW Benchmark S.A. or any other entity to fulfil this function in the future. It is calculated and published according to the rules specified in the WIBID and WIBOR Reference Rates Regulation at www.gpwbenchmark.pl within deadlines provided by the Administrator. The reference next to the rate name means the period it refers to, e.g.: 1M – one month, 3M – three months, 6M – six months, 1Y – one year.
WIBOR	Warsaw Interbank Offered Rate administrated by GPW Benchmark S.A. or any other entity to fulfil this function in the future. It is calculated and published according to the rules specified in the WIBID and WIBOR Reference Rates Regulation at www.gpwbenchmark.pl within deadlines provided by the Administrator. The reference next to the rate name means the period it refers to, e.g.: 1M – one month, 3M – three months, 6M – six months, 1Y – one year.
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, Floating Price A, Floating Price B	with respect to the Settlement Payment Date the price for a relevant Unit for the relevant Calculation Period or Calculation Period of the Floating Price Payer A or the Calculation Period for the Floating Price Payer B, representing - if for the Calculation Period or Calculation Period of the Floating Amount Payer A, or the Calculation Period for the Floating Amount Payer B or the Settlement Payment Date, the Parties agree the following: 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 or Floating Price A, or Floating Price B; 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 or Notional Quantity per Calculation Period of the Floating Price Payer A or Notional Quantity per Calculation Period of the Floating Price Payer B	Quantity of Commodity for a given Calculation Period or a given Calculation Period of the Floating Price Payer A, or a Calculation Period of the Floating Price Payer B expressed in the Units based on which the Fixed Amount and Floating Amount or Floating Amount A and Floating Amount B for such Calculation Period or Calculation Period of the Floating Price Payer A or the Calculation Period of the Floating Price Payer B are settled. The Notional Quantity per the Calculation Period or the Calculation Period of the Floating Price Payer A or the Calculation Period of the Floating Price Payer B may be different for each of the Calculation Period or the Calculation Period of the Floating Price Payer A or the Calculation Period of the Floating Price Payer B as agreed between the Parties.
Material Change in Content	occurrence, from the Transaction 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 Transaction 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 or Floating Amount A as at the Settlement Payment Date and Floating Amount or Floating Price B 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, Floating Amount A or Floating Amount B	for a given Settlement Payment Date, the amount equal to a product of the Notional Quantity per Calculation Period or the Notional Quantity per Calculation Period of the Floating Price Payer A or the Notional Quantity per Calculation Period of the Floating Price Payer B for such Settlement Payment Date and Floating Price or Floating Price A or Floating Price B for such 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.
Applicable Spread to Floating Price A, Applicable Spread to Floating Price B	amount expressed in the Transaction Currency or expressed as a percentage in respect of the Commodity Reference Price Unit, defined by the Parties in the Transaction Terms, decreasing (-) or increasing (+) the Specified Price for each Pricing Date in order to calculate Floating Price A or Floating Price B.
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:

- 1) the high price (*cena maksymalna*);
 - 2) the low price (*cena minimalna*);
 - 3) the average of the high price and the low price (*średnia ceny maksymalnej i ceny minimalnej*);
 - 4) the closing price (*cena zamknięcia*);
 - 5) the opening price (*cena otwarcia*);
 - 6) the bid price - (*cena kupna*);
 - 7) the asked price (*cena sprzedaży*);
 - 8) the average of the bid price and the asked price (*średnia ceny kupna i ceny sprzedaży*);
 - 9) the settlement price (*cena rozliczenia*);
 - 10) the official settlement price (*oficjalna cena rozliczenia*);
 - 11) the official price (*cena oficjalna*);
 - 12) the morning fixing (*poranny fixing*);
 - 13) the afternoon fixing (*popołudniowy fixing*);
 - 14) the spot price (*cena spot*);
- with the specification of the hour, if a given Commodity Reference Price requires such specification.

**Calculation Period,
Calculation Period of
the Floating Price
Payer A or Calculation
Period of the Floating
Price Payer B**

Each period starting from the first day of the Calculation Period or Calculation Period of the Floating Price Payer A, or Calculation Period of the Floating Price Payer B (inclusive) until the last day of the a given Calculation Period or Calculation Period of the Floating Price Payer A or Calculation Period of the Floating Price Payer B (inclusive) – defined 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,
Floating Price Payer A,
Floating Price Payer B**

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:

- 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:

- 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.

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 or Swap
Transaction**

Commodity Swap Transaction consisting in purchase by Fixed Price Payer or Floating Price Payer A from the Floating Price Payer or Floating Price Payer B, of the Floating Amount(s) or Floating Amount(s) B in exchange for Fixed Amount(s) or Floating Amount (s) A, and settled by payment by one of the Transaction Parties of the Settlement Payment Amount(s).

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 (including emission rights) or Precious Metal determined by the Parties in the appropriate Commodity Reference Price.

**Commodity Business
Day**

with respect to the Transactions:

- 1) other than the Precious Metal Transaction, for which the Commodity Reference Price:
 - 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:

- 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:
 - 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 a 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 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 Interest Rate, loss of representativeness, changed method of calculation**. If the Bank is unable to determine the Reference Rate (including the Bank Reference Rate or the Customer Reference Rate) which is a floating interest rate in the manner specified in the Transaction Terms as the Reference Rate or the RFR is, temporarily or permanently, not calculated, its method of calculation changes or it loses representativeness, the provisions of Enclosure no. 1 to the Transaction Description shall apply.
 5. **Inability to Determine the Reference Exchange Rate**. In the event of inability to determine the Reference Exchange Rate in the manner specified in the Transaction Terms, as result of lack of publication of such rate or occurrence of a change in the method of setting the rate by the Administrator, the provisions of the Enclosure no. 1 to the Transactions Descriptions shall apply.

II. Description of Commodity Swap Transactions

1. **Commodity Swap (Swap Towarowy)**. By concluding a Commodity Swap Transaction the Parties (the Fixed Price Payer or Floating Price Payer A and Floating Price Payer or the Floating Price Payer B) undertake to make, from the Effective Date until Termination Date, on each Settlement Payment Date, a settlement by payment or receipt of the Settlement Payment Amount. If the Floating Amount or Floating Amount A for such Settlement Payment Date is higher than the Fixed Amount or Floating Amount B for such Settlement Payment Date – then the Floating Price Payer or Floating Price Payer B shall pay the Fixed Price Payer or the Floating Price Payer A the Settlement Payment Amount. If the Floating Amount or Floating Amount B for such Settlement Payment Date is lower than the Fixed Amount or Floating Amount A for such Settlement Payment Date – then the Fixed Price Payer or the Floating Price Payer A shall pay the Floating Price Payer or Floating Price Payer B the Settlement Payment Amount.
2. **Adjustment of the Relevant Price**. 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 thirty (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 thirty (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 Transactions concluded by a Customer who is not a natural person referred to in Article 385^o of the Civil Code:

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 Negotiate 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.

The following Disruption Fallback shall be applied, in the following order, for Transactions concluded by a Customer who is a natural person referred to in Article 385^o of the Civil Code:

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 Postponement shall not apply,

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,

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) solely in the case of the Bank Reference Rate or the Customer Reference Rate which is a Compounded RFR:

a) Lookback Period (*Okres Przesunięcia*), if it is different than five (5) RFR Business Days;

b) Compounding Method, if it is different than the method without observation shift;

5) Interest Rate Period (*Okres Odsetkowy*);

6) Effective Date (*Dzień Rozpoczęcia*);

7) Interest Payment Date (*Dzień Płatności Odsetek*);

8) 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:**

2) Bank's Notional Amount (*Kwota Bazowa Banku*);

3) Customer's Notional Amount (*Kwota Bazowa Klienta*);

4) Currency for Bank's Notional Amount (*Walutę dla Kwoty Bazowej Banku*);

5) Currency for Customer's Notional Amount (*Walutę dla Kwoty Bazowej Klienta*);

6) 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*);

7) Bank's Reference Rate (*Stopa Referencyjna Banku*);

8) Customer's Reference Rate (*Stopa Referencyjna Klienta*);

9) solely in the case of the Bank Reference Rate or the Customer Reference Rate which is a Compounded RFR:

a) Lookback Period (*Okres Przesunięcia*), if it is different than five (5) RFR Business Days;

b) Compounding Method, if it is different than the method without observation shift;

10) Interest Rate Period (*Okres Odsetkowy*);

11) Effective Date (*Dzień Rozpoczęcia*);

12) Interest Payment Date (*Dzień Płatności Odsetek*);

13) Termination Date (*Dzień Zakończenia*);

14) 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) Settlement Payment Date(s) (*Data(-y) Rozliczenia Płatności*);
- 5) Commodity (*Towar*);
- 6) Notional Quantity(s) per Calculation Period(s) (Ilość(ci) Nominalna(e) Dla Okresu(ów) Obliczeniowego(ych) or *Notional Quantity(s) per Calculation Period(s) of the Floating Price Payer A* (Ilość(ci) Nominalna(e) Dla Okresu(ów) Obliczeniowego(ych) Płatnika Kwoty Zmiennej A) and Notional Quantity(s) per Calculation Period(s) of the Floating Price Payer (Ilość(ci) Nominalna(e) Dla Okresu(ów) Obliczeniowego(ych) Płatnika Kwoty Zmiennej B);
- 7) Floating Price Payer (*Płatnik Kwoty Zmiennej*) or Floating Price Payer A (*Płatnik Kwoty Zmiennej A*) and Floating Price Payer B (*Płatnik Kwoty Zmiennej B*);
- 8) Fixed Price Payer (*Płatnik Kwoty Stałej*) – provided the Parties agree on the Fixed Price in the Transaction Terms;
- 9) Commodity Reference Price (*Referencyjna Cena Towaru*) supplemented by Specified Price (*Opisowana Cena*) and (if the definition the Parties will use to define the Commodity Reference Price, includes reference to the Delivery Date) – Delivery Date(s) (*Dzień(Dni) Dostawy*);
- 10) Fixed Price (*Cena Stała*) – provided the Parties agree on such parameter in the Transaction Terms;
- 11) Calculation Period(s) (*Okres/y Obliczeniowy/we*) or Calculation Period(s) of the Floating Price Payer A (*Okres/y Obliczeniowy/we Płatnika Kwoty Zmiennej A*) and Calculation Period(s) of the Floating Price Payer B (*Okres/y Obliczeniowy/we Płatnika Kwoty Zmiennej B*);
- 12) Applicable Spread to Floating Price A (*Obowiązujący Spread do Ceny Zmiennej A*) or Applicable Spread to Floating Price B (*Obowiązujący Spread do Ceny Zmiennej B*) – provided the Parties agree on such parameter/s in the Transaction Terms.

In addition to the conditions, referred to in items 1–12, the Parties shall agree on which Settlement Payment Date, Pricing Date, Delivery Date or the Notional Quantity per Calculation Period/ Notional Quantity per Calculation Period of the Floating Price Payer A/ Notional Quantity per Calculation Period of the Floating Price Payer B relates to a given Calculation Period/ Calculation Period of the Floating Price Payer A/ Calculation Period of the Floating Price Payer B. Fixed Price, Applicable Spread to Floating Price A/ Applicable Spread to Floating Price B, Commodity Reference Price, Specified Price and Fallback Reference Price (provided that agreed between the Parties) – for each Calculation Period will be the same.

In addition to conditions, referred to items 1–12, the Parties may agree on the Fallback Reference Price. If the agreed Fallback Reference Price is expressed in a currency other than the Transaction Currency or is given in in Commodity measure unit other than the Unit – the Parties shall agree on the terms on which the price shall be converted by the Bank in such a manner that the converted price is expressed in the Transaction Currency and Unit.

Currency Transactions

§1. Definitions

Automatic Exchange Date	The last Business Day of the Exchange Period.
Exchange Date	Each Business Day within the Exchange Period, on which the Customer may exercise its rights arising from the Flexitem Forward Transaction.
Transfer Instruction	a transfer order placed by the Customer at the Bank, denominated in the Transaction Currency, for the Transaction Amount (or its part) which the Customer purchased from the Bank at the Exchange Rate applied.
Settlement Date	For Today / Tomorrow / Spot / Forward/ NDF / FX Swap Transactions - a Business Day agreed upon in the Transaction Terms when the mutual settlement between the Parties under the Transaction takes place. For a Flexitem Forward Transaction – the second Business Day following the Exchange Date or the Automatic Exchange Date (if applicable) on which the mutual settlement between the Parties under the Transaction takes place.
Effective Date	a Business Day agreed upon in the Transaction Terms.
Termination Date	a Business Day agreed upon in the Transaction Terms.
Transaction Conclusion Date	a Business Day when a Transaction is concluded.
Cut-off Time	with respect to the specific Transaction Currency, the hour by which the Customer should submit the Transfer Instruction; the information about the applicable Cut-Off Time is provided in the Bank's branches or at the Bank's website.
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, as agreed by the Parties, in the following currencies: 1) the Settlement Currency, which is the product of the Notional Amount and the absolute value of the difference between the set Exchange Rate and the Reference Rate, or 2) in the Transaction Currency, calculated in accordance with this formula: $\text{Notional Amount} * [1 - \text{Exchange Rate} / \text{Reference Rate}]$.
Notional Amount	the amount denominated in the Transaction Currency, sold to the Buyer by the Seller. In the event of a partial settlement of the Flexitem Forward Transaction on the Exchange Date, the Notional Amount is tantamount to at least the Minimum Exchange Amount. In the event of the full settlement of the Flexitem Forward Transaction on the Automatic Exchange Date, the Notional Amount equals the difference between the Notional Amount agreed upon in the Transaction Terms and Transaction Amount(s) which are partially settled on the Exchange Date(s).
Settlement Amount	an amount denominated in the Settlement Currency, equivalent to the Notional Amount in the Settlement Currency, calculated as the product of the respective Notional Amount and the Exchange Rate;
Minimum Exchange Amount	unless the Parties decide otherwise, the amount of at least PLN 50,000.00 (or its equivalent in the Settlement Currency, calculated according to the Exchange Rate), which is sold by the Seller to the Buyer as a result of the partial settlement of the Flexitem Forward Transaction.
Earliest Exchange Time	unless the Parties decide otherwise, it is 9:00 a.m. Warsaw time.
Latest Exchange Time	unless the Parties decide otherwise, it is 4:00 p.m. Warsaw time.
Exchange Period	each Business Day falling in the period from the Effective Date (inclusive) to the Termination Date (inclusive), between the Earliest Exchange Time and the Latest Exchange Time.
Transaction Description	this Description of Currency Transactions.
GOonline Biznes System	GOonline Biznes Internet banking system.
Currency Transaction	a Today Transaction, Tomorrow Transaction, Spot Transaction, or Forward Transaction, NDF Transaction, Flexitem Forward Transaction, Currency Swap Transaction or other Transaction type of a similar nature, agreed upon by and between the Parties.
Payment Amount Currency	the currency in which the Payment Amount is settled by one of the Parties.
Settlement Currency	the currency in which the Notional Amount/Minimum Exchange Amount is paid by the Buyer.
Transaction Currency	the currency in which the Notional Amount/Minimum Exchange Amount is denominated.

§2. Currency Transaction Description

1. **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.
2. **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.
3. **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.
4. **Today Transaction, Tomorrow Transaction, Spot Transactions – concluded for the purpose of effecting a Transfer Instruction.** Today Transaction or Tomorrow Transaction or Spot Transaction (referred to in sections 1-3, respectively) concluded for the purpose of effecting a Transfer Instruction - is concluded by the Customer in order to allow the Customer to place a Transfer Instruction at the Bank before the Settlement Date for a given Transaction and effecting this instruction by the Bank.
 - a) Due to the fact that until the moment of posting by the Bank of a Transfer Instruction (resulting in the execution of the Transaction Settlement by the Bank, by debiting the Customer's Settlement Account with the Settlement Amount in the Settlement Currency), the Settlement Amount resulting from the Transaction is visible on the Customer's Settlement Account as an available balance, the Customer, while submitting other instructions concerning the funds on that account, is obliged to ensure:
 - on the Settlement Date - in the case of Today Transactions, or
 - on the Business Day preceding the Settlement Date - in the case of Tomorrow Transactions or Spot Transactions,

cash in the amount necessary to execute a Transfer Instruction by the Bank (including the payment of a commission thereunder by the Customer).

- b) Conclusion of the Transaction results in the Customer's obligation to submit the Transfer Instruction to the Bank no later than on the Settlement Date. The obligation should be fulfilled by submitting one or more Transfer Instructions via the GOonline Biznes System, for the total amount equal to the entire Transaction Amount. Each Transfer Instruction should be submitted by the Cut-Off Time relevant for the specific Transaction Currency.
- c) The Bank may refuse to execute the Transfer Instruction in the event there are insufficient funds on the relevant Customer Settlement Account for the Bank to perform a Transfer Instruction (including payment of a commission thereunder by the Customer).
- d) In order for the Bank to execute a Transfer Instruction at the Exchange Rate agreed upon by the Parties in the Terms and Conditions of Transaction, a Transfer Instruction is to be submitted each time, in accordance with the following:
- the functionalities of the GOonline Biznes System,
 - provisions referred to in section b) above
 - provisions referred to in item 10, concerning the need for the Customer to take into account the reference number of the concluded Transaction in a Transfer Instruction submitted to the Bank via the GOonline Biznes System.
- e) The Transfer Instruction submitted by the Customer:
- in breach of the rules referred to in item 10, concerning the need for the Customer to include the reference number of the Transaction concluded in a Transfer Instruction submitted to the Bank via the GOonline Biznes System, or
 - inconsistent with the functionalities of the GOonline Biznes System,
- will be executed by the Bank on standard terms, without taking into consideration the Exchange Rate agreed in the Transaction Terms, i.e. at the exchange rate consistent with the table of exchange rates applicable in the Bank.
- f) In the event that:
- the Customer fails to submit one or more than one Transfer Instruction for the total Transaction Amount before the Cut-off Time or
 - There are no sufficient funds on the Customer's relevant Settlement Account to execute the Transfer Instruction by the Bank (including the payment of a commission on this account by the Customer),
- the Transaction Amount or its part which has not been included in the Transfer Instruction, may be converted by the Bank into the Settlement Currency of that Transaction, at the exchange rate(s) indicated in the table of exchange rates applicable in the Bank at the moment of the currency conversion, unless on the Conclusion Date, by 4:30 p.m., the Customer agrees with the Bank on another exchange rate at which the Bank will convert the currency. In order to agree on the exchange rate referred to above, the Parties will contact each other on the phone.
- If, as a result of the currency conversion referred to above, the amount of the exchange rate difference between the Exchange Rate and the exchange rate used in the currency conversion:
- is due to the Bank - the Customer shall pay this amount to the Bank. The payment shall be made through charging this amount by the Bank from the Customer's Settlement Account in the Settlement Currency or from any other account of the Customer held with 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 to it at an appropriate exchange rate indicated in the table of exchange rates applied at the Bank at the moment of the collection,
 - is due to the Customer - the Bank shall credit the Customer's Settlement Account with this amount in the Settlement Currency.
5. **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.
6. **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.
7. **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*).
8. **Flexitem Forward Transaction (Flexitem Forward).** By entering into a Flexitem Forward Transaction, at any moment of the Exchange Period, upon notifying the Bank about the willingness to make a partial settlement of the Flexitem Forward Transaction, the Customer has the right to buy the Transaction Currency from the Bank (in the event the Customer is the Buyer) or sell it to the Bank (in the event the Customer is the Seller), respectively, in the amount equal to at least the Minimum Exchange Amount, in exchange for the Settlement Amount payable on the appropriate Settlement Date. If on the Automatic Exchange Date, the difference between the Notional Amount agreed upon in the Transaction Terms and the Notional Amount / the total of Notional Amounts which is/are partially settled on the Exchange Date(s) differs from zero, the Customer is obliged to buy from the Bank (in the event the Customer is the Buyer) or sell to the Bank (if the Customer is the Seller), respectively, of the Transaction Currency in the amount equal to the difference between the Notional Amount agreed upon in the Transaction Terms and the Notional Amount / the total of Notional Amounts which is/are partially settled on the Exchange Date(s), in exchange for the Settlement Amount payable on the Settlement Date appropriate for the Automatic Exchange Date.
9. **Inability to Determine the Reference Exchange Rate.** In the event of inability to determine the Reference Exchange Rate in the manner specified in the Transaction Terms, as result of lack of publication of such rate or occurrence of a change in the method of setting the rate by the Administrator, the provisions of the Enclosure no. 1 to the Transaction Description shall apply.
10. **Transaction Terms (for the Today, Tomorrow, Spot, Forward, NDF and Currency Swap Transactions).** 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(s) of the Reference Rate, Fixing Date and the time of its/their announcement (provided that such time is the decisive factor for setting the rate) and the Payment Amount Currency - for NDF Transactions. If the Parties, when entering into an NDF Transaction, do not agree on the Payment Amount Currency - the Settlement Currency shall be deemed the Payment Amount Currency.

For Today Transactions, Tomorrow Transactions and Spot Transactions - concluded, for the purpose of effecting a Transfer Instruction:

- a) by telephone - the Customer is additionally obligated to:
- inform about the purpose of concluding a Transaction (*a Transaction concluded for the purpose of executing a Transfer Instruction*) the Bank's employee authorized to conclude Transactions on behalf of the Bank,
 - and then, after receiving information from that employee about the reference number of the Transaction concluded - include that number in the Transfer Instruction submitted to the Bank via the GOonline Biznes System, or
- b) via the Bank's online transaction platform or mobile application (after the Bank renders such feature available to the Customer) - the Customer is also required to include the reference number of the Transaction concluded, generated by this transaction platform or mobile application, in the Transfer Instruction submitted to the Bank via the GOonline Biznes System.

For Forward Transactions, if a Forward Transaction is concluded within the Secured Limit, in addition to the conditions referred to in items 1-6 - the Parties shall additionally agree:

- a) Initial Collateral Amount,
- b) Initial Collateral Currency.

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. In addition, if a Currency Swap Transaction is concluded within the Secured Limit, the Parties shall agree:

- a) Initial Collateral Amount,
- b) Initial Collateral Currency.

11. **Transaction Terms (for the Flexitem Forward Transaction).** 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) Effective Date (*Dzień Rozpoczęcia*);
 - 7) Termination Date (*Dzień Zakończenia*).

Rules of procedure in the event of lack of Benchmark publication or a change in the Benchmark's method of calculation or loss of the Benchmark representativeness

This Enclosure no. 1 to the Transaction Descriptions, hereinafter referred to as the "**Rules of Procedure**", sets of the rules of conduct for the Bank in the event of: a temporary or permanent cessation of Benchmark's provision or a change of the method of Benchmark calculation, or Benchmark's loss of representativeness.

Any terms and expressions used in Rules of Procedure shall have the meaning assigned to them in the Regulations and the Transaction Descriptions, unless otherwise stipulated herein. Rules of Procedure is an integral part of the Regulations and the Transaction Descriptions.

§ 1. Definitions

The terms used in the Rules of Procedure shall have the following meaning:

Administrator	the entity exercising control over the Benchmark development.
Bloomberg	Bloomberg Index Services Limited or another entity which assumes the role of entity that publishes the Alternative Benchmark as referred to in § 5 item 1.
BMR	Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts, or to measure the performance of investment funds, and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.
Benchmark Banking Day	a day which, in accordance with applicable laws, is not a statutory holiday and is not a Saturday.
Application Day	a day on which the Parties are to apply the Benchmark to determine the Parties' performance in accordance with Transaction Terms.
Replacement Day	respectively: <ol style="list-style-type: none"> 1) if the Announcement on the Lack of License occurs, the later of: <ol style="list-style-type: none"> a) the first day following the fifteen (15) Benchmark Banking Days period after the Announcement on the Lack of License (only with respect to Reference Rate), or b) the first day in which the Current Benchmark may not be lawfully applied to Transaction, 2) if the Announcement on the Cessation of Publication occurs, the later of: <ol style="list-style-type: none"> a) the first day following the fifteen (15) Benchmark Banking Days period after the Announcement on the Cessation of Publication (only with respect to Reference Rate), or b) the first day on which the Current Benchmark has not been published in connection with the Announcement on the Cessation of Publication, or 3) in the case of the Cessation of Representativeness (only with respect to Reference Rate), the later of: <ol style="list-style-type: none"> a) the first day following the fifteen (15) Business Day period after the Announcement on the Cessation of Representativeness, or b) the first day on which the Current Benchmark has ceased to be representative in accordance with the Announcement on the Cessation of Representativeness.
€STR	the Euro short-term rate, the Administrator of which is European Central Bank (ECB) or another entity which assumes this role in the future.
Working Group	a working group, nominated by, operating under the supervision of or with the participation of public authorities or market regulators, preparing the proposal for the replacement of the Current Benchmark.
Adjustment	a positive, negative or zero value and/or formula or calculation methodology to be applied in order to limit or eliminate the economic effects of replacing the Current Benchmark with the Alternative Benchmark. The adjustment may include calculation method (e.g. daily compounding or adding of a series of overnight benchmarks over a period for which interest is calculated) and/or other amendments related to the substitution of the Current Benchmark.
Central Counterparty	authorised central counterparty, through which the Bank clears derivative transactions, which uses the Reference Rate and hedge the risk of its changes, e.g. LCH Ltd. or KDPW_CCP.
Appointing Entity	the European Commission, any relevant authority supervising the Administrator, the Administrator, authorized public authority or any other entity authorized in accordance with applicable laws to recommend or nominate the Alternative Benchmark and the Adjustment.
Bloomberg Rule Book	the up-to-date „IBOR Fallback Rate Adjustments Rule Book" (available at the date of this Rules of Procedure at: www.bloomberg.com/professional/solution/libor-transition/) or any other document which will provide the rules for determining the Alternative Rate as referred to in § 5 item 1.
SARON	the Swiss Average Rate Overnight, the Administrator of which is SIX Swiss Exchange or another entity which assumes this role in the future.
SONIA	the Sterling Over Night Index Average, the Administrator of which is Bank of England or another entity which assumes this role in the future.
SOFR	the Secured Overnight Financing Rate, the Administrator of which is Federal Reserve Bank of New York or another entity which assumes this role in the future.
RFR	€STR, SONIA, SOFR or SARON.
Fallback Event	one of the following events: <ol style="list-style-type: none"> 1) a credible source provides public information that the Benchmark will not be registered or no decision on its equivalence will be issued or the Administrator has not received or will not receive a relevant permit or registration for the provision of the Benchmark or such permit or registration for the provision of the Benchmark has been revoked or suspended (the "Announcement on the Lack of License"), 2) the Appointing Entity provides public information that the Administrator has permanently ceased to or is to permanently cease to publish the Benchmark if, until the date of such information no replacement entity is specified for the Administrator which would continue to calculate or publish the Benchmark (the "Announcement on the Cessation of Publication"), 3) the Appointing Entity provides public statement that the Benchmark being the Reference Rate is no longer representative or will cease to be representative for its underlying market or for the economic reality Benchmark was supposed to measure and that it is not possible to make Benchmark representative again (the "Announcement on the Cessation of Representativeness"), 4) the Benchmark is not published due to reasons other than connected with the Regulatory Event (the "Temporary Lack of Publication").
Benchmark	respectively: <ol style="list-style-type: none"> 1) in case of interest rate – variable Reference Rate (including the Bank's Reference Rate or the Customer's Reference Rate) being benchmark within the meaning of BMR, in case of Compounded RFR Rate – RFR being it's basis; 2) in relation to FX rate – Reference Exchange Rate or the Barrier Reference Rate, 3) in case of interest remuneration from Collateral, as referred to in § 23 item 4 of Regulations – reference rate or index based on which the interest remuneration is calculated from Collateral.
Alternative Benchmark	the Benchmark replacing the Current Benchmark in case of the Fallback Event.
Current Benchmark	the Benchmark applicable prior to the occurrence of the Fallback Event.
Regulatory Event	Announcement on the Lack of License, Announcement on the Cessation of Publication or Announcement on the Cessation of Representativeness.

§ 2. General Provisions

1. The Bank will establish the Alternative Benchmark and the Adjustment (if applicable) in accordance with § 4 - § 10 and applied them from the first day of Application Day falling on the Replacement Day or after that day, for the remainder of the term of the Transaction, subject to other provisions of this paragraph.
2. If during the period from the Regulatory Event date to the Replacement Day no Current Benchmark has been published or it may not be lawfully used – the Alternative Benchmark and the Adjustment are applied starting from the first day of Application Day after the occurrence of the Regulatory Event. In such case, the Bank shall establish the Alternative Benchmark and the Adjustment as at the Replacement Day again.
3. Following the occurrence of the Regulatory Event, the Alternative Benchmark and the Adjustment are applied irrespective of the later cessation of the grounds for the replacement of the Current Benchmark.

4. A change of the method of calculation of the Benchmark announced by the Administrator, including a change that is deemed material in accordance with BMR, shall not constitute a Fallback Event or grounds for amending the Transaction.
5. The provisions of the Rules of Procedure regarding Current Benchmark being Reference Rate shall apply accordingly to Current Benchmark used to determine the remuneration from the Collateral.

§ 3. Temporary Lack of Publication

1. In the event of the Temporary Lack of Publication of a Benchmark being Reference Rate, the Bank uses the last available value of the Reference Rate before the day of the Temporary Lack of Publication. If during the time of the Temporary Lack of Publication the Regulatory Event occurs, the provisions applicable to the Regulatory Event shall be applied.
2. In the event of the Temporary Lack of Publication of a Benchmark being Reference Exchange Rate or Barrier Reference Rate the provisions applicable for Regulatory Event shall apply with the proviso that the Alternative Benchmark shall be applied again for the next Application Days.

§ 4. Regulatory Event – general provisions

1. If a Regulatory Event related to LIBOR or EURIBOR occurs, the Bank shall first apply the fallback solutions described in § 5. In the case where the fallback solutions cannot be applied, the fallback solutions described in § 6 shall apply.
2. If a Regulatory Event related to the Reference Rate other than LIBOR and EURIBOR occurs, the fallback solutions described in § 6 shall apply.
3. If a Regulatory Event related to the Reference Exchange Rate or Barrier Reference Rate occurs, the fallback solutions described in § 7 shall apply.
4. In case Alternative Benchmark applied by the Bank in accordance with § 7 does not have a currency pair corresponding to the Benchmark, Bank applies as Alternative Benchmark the Alternative Benchmark for the euro currency and Currency divided by the Alternative Benchmark for the euro currency and Settlement Currency.

§ 5. Regulatory Event for LIBOR and EURIBOR

1. If a Regulatory Event related to LIBOR or EURIBOR occurs, the Bank shall apply Alternative Benchmark published by Bloomberg, termly adjusted (*dostosowaną terminowo*) to the period of Reference Rate by relevant RFR and spread, as cumulatively referred to as "Fallback Rate" in the Bloomberg Rule Book

The relevant RFR is:

- a) for GBP LIBOR (LIBOR for pound sterling) – SONIA,
 - b) for CHF LIBOR (LIBOR for Swiss franc) – SARON,
 - c) for USD LIBOR (LIBOR for United States dollar) – SOFR,
 - d) for EURIBOR – €STR.
2. No additional Adjustment is added to such Alternative Benchmark (apart from the spread as referred to in item 1). If a Regulatory Event related to LIBOR or EURIBOR occurs and Bloomberg will not publish Alternative Benchmark as referred to in item 1 and at the same time the relevant RFR will be published, Bank will calculate and determine Alternative Benchmark (with Adjustment) on the same terms as those provided in the Bloomberg Rule Book

§ 6. Regulatory Event for Reference Rate other than LIBOR or EURIBOR

1. If the Regulatory Event occurs, the Bank shall apply the Alternative Benchmark and the Adjustment nominated by the Appointing Entity provided that the nomination relates to the type of clients which includes the Customer and to the type of arrangements which corresponds to the Master Agreement. If the Appointing Entity does not nominate the Adjustment (nor does it indicate that the Adjustment shall not be applied), the Adjustment shall be established by Bank in accordance with § 8.
2. In the case where the fallback solutions described in item 1 cannot be applied by the Bank, the Bank shall apply the Alternative Benchmark and the Adjustment nominated by the central bank for the currency of the Reference Rate provided that the nomination relates to the type of clients which includes the Customer and to the type of arrangements which includes the Master Agreement. If the central bank for the currency of the Reference Rate does not nominate the Adjustment (nor does it indicate that the Adjustment shall not be applied), the Adjustment shall be established by Bank in accordance with § 8.
3. In the case where the fallback solutions described in items 1 - 2 cannot be applied by the Bank, the Bank shall apply the Alternative Benchmark and the Adjustment nominated by the Working Group provided that the nomination relates to the type of clients which includes the Customer and to the type of arrangements which includes the Master Agreement. If the Working Group does not nominate the Adjustment (nor does it indicate that the Adjustment shall not be applied), the Adjustment shall be established in accordance with § 8.
4. In the case where the fallback solutions described in items 1 - 3 cannot be applied by the Bank, the Bank shall apply the Alternative Benchmark and the Adjustment as applied by the Central Counterparty for the Benchmark which is the same as the Current Benchmark.
5. In the case where the fallback solutions described in items 1 - 4 cannot be applied by the Bank, the Bank taking into account economic specificity and solutions commonly adopted on the market, applies Alternative Benchmark and Adjustment commonly used in the interbank market as a substitute for Reference Rate in Transactions on financial instruments.
6. In the case where the fallback solutions described in items 1 - 5 cannot be applied by the Bank, the Bank shall apply as the Alternative Rate the reference rate of the central bank for the currency of the Reference Rate. The Bank applies the Adjustment established in accordance with § 8.

§ 7. Regulatory Event for Reference Exchange Rate or Barrier Reference Rate

1. If a Regulatory Event related to Reference Exchange Rate or Barrier Reference Rate occurs, the Bank shall apply Alternative Benchmark Bloomberg FX Fixing for the same time in the same time zone as the publication of Benchmark and the relevant currency pair.
2. In the case where the fallback solutions described in item 1 cannot be applied by the Bank, the Bank shall apply the Alternative Benchmark WM Reuters Spot Rate for the same time in the same time zone as the publication of Benchmark and the relevant currency pair.
3. In the case where the fallback solutions described in item 1 - 2 cannot be applied by the Bank, the Bank shall apply the Alternative Benchmark average exchange rate announced by the National Bank of Poland.
4. The Adjustment does not apply to the Alternative Benchmark determined in accordance with items 1 - 3.

§ 8. Adjustment

1. This § 8 shall apply unless the provisions of the Rules of Procedure provide otherwise.
2. The method of calculating the Adjustment is analogous to the adjustment methodology of the Bloomberg Rule Book, i.e. the Adjustment is calculated as the median difference between the Current Benchmark and the Alternative Benchmark for the period of five (5) years (or shorter, if the Current Benchmark or the Alternative Benchmark has been calculated for the shorter period) preceding the Regulatory Event (subject to the application of detailed solutions as provided in that regard under the Bloomberg Rule Book).
3. The Bank adds the Adjustment to the Alternative Benchmark.

§ 9. Information

If the Regulatory Event occurs, the Bank will provide Customer with the information on the applied fallback, the established Alternative Benchmark and its value, and, if applicable, the information on the applied Adjustment. The information shall be provided in the way specified for notifications under the Master Agreement or Collateral Agreement. The Bank will publish information regarding the establishment of the Alternative Benchmark and the Adjustment on the website of the Bank - www.bnpparibas.pl.

§ 10. Relevant application of provisions

Following permanent replacement of the Current Benchmark with the Alternative Benchmark, the provisions of the Master Agreement and the Rules of Procedure which apply to the Benchmark and Current Benchmark shall be applied accordingly to the Alternative Benchmark and the Adjustment.

Rules for calculating the Compounded RFR Rate

This Enclosure no. 2 to the Transaction Descriptions, herein after referred to as "**Rules for Calculating**", describes the method of calculating the Compounded RFR Rate. Capitalized terms used in the Rules for Calculating shall have the meaning defined in the Regulations and Transaction Descriptions, unless otherwise defined therein. Rules for Calculating are integral part of the Regulations and Transaction Descriptions.

Chapter 1 of the Rules for Calculating – contains general description of the rules for calculating the Compounded RFR Rate for the purposes of providing a better presentation of the rules of calculation of Compounded RFR Rate.

Chapter 2 of the Rules for Calculating – contains detailed rules for calculating the Compounded RFR Rate. The rules described in Chapter 2 shall prevail in the case of any discrepancies with Chapter 1.

Chapter 1. General description of the rules for calculating the Compounded RFR Rate

- § 1. The Compounded RFR Rate is calculated on the basis of daily RFRs for a given Interest Period. As a consequence, in order to determine the Compounded RFR Rate, it is necessary to determine all RFRs' values for the specified Interest Period.
- § 2. In order to determine the value of Compounded RFR Rate sufficiently early to allow for the timely payment based on the Compounded RFR Rate at the end of Interest Period, the period during which the value of the RFR is observed (the Observation Period) is moved backwards in relation to the Interest Period by the Lookback Period (five (5) RFR Banking Days unless the Transaction Terms provide for a different period). As a result, the Compounded RFR Rate is known at the end of the Observation Period which falls before the end of the Interest Period and before the interest payment date.
- § 3. In order to determine the Compounded RFR Rate, consecutive values of the RFR from the Observation Period are compounded (capitalized) for the duration of the Observation Period (it corresponds to (but is not equivalent to) compounded interest or interest capitalization) – in this case the interest rate calculated as of the previous day constitutes the basis for the application of the RFR from the next day and in this way the value of the Compounded RFR Rate is compounded (capitalized).
- § 4. Compounded RFR Rate is not compounded (capitalized) on days that are not RFR Banking Days. Instead, the value of the RFR from the last RFR Banking Day has a greater weight for the purposes of compounding (capitalization) that corresponds to the period of its use (e.g. RFR for Friday is multiplied by three (3) – for Friday, Saturday and Sunday, while the RFR for Thursday is multiplied by one (1) – for Thursday).
- § 5. There are two Compounding Methods, specifying differently which period is used for the purposes of determining the RFR Banking Days:
- 1) method without observation shift – days from the Interest Period are used for the purposes of determining the RFR Banking Days; or
 - 2) method with observation shift – days from the Observation Period (which is the Interest Period moved backwards by the Lookback Period) are used for the purposes of determining the RFR Banking Days.
- § 6. Depending on Transaction Terms, one of the methods described in § 5 and, as a result, corresponding provisions of Chapter 2 are used.
- § 7. Compounded RFR Rate is rounded to:
- 1) four (4) decimal places, if it is based on SONIA or SARON; or
 - 2) five (5) decimal places, if it is based on SOFR.

Chapter 2. Detailed rules for calculating the Compounded RFR Rate

§ 8. Rules for calculating the Compounded RFR Rate in accordance with the Compounding Method without observation shift

1. The provisions of this § 8 shall apply if Compounding Method without observation shift applies to the Transaction.
2. Compounded RFR Rate for a given Interest Period is equal to the percentage rate per annum (rounded to: (a) four (4) decimal places, if it is based on SONIA or SARON or (b) five (5) decimal places, if it is based on SOFR) calculated as set out below:

$$SRFR = \left[\prod_{i=1}^{d_0} \left(1 + \frac{RFR_{i-OP} \times n_i}{bo} \right) - 1 \right] \times \frac{bo}{tn_i}$$

where:

"SRFR" means the Compounded RFR Rate for the given Interest Period;

"d₀" means the number of RFR Banking Days in the Interest Period;

"i" means a series of whole numbers from one to d₀, each representing the relevant RFR Banking Day in chronological order in the Interest Period;

"RFR_{i-OP}" means, for any RFR Banking Day "i" in the Interest Period, the RFR for the RFR Banking Day which is the applicable Lookback Period prior to that RFR Banking Day "i";

"n_i" means, for any RFR Banking Day "i", the number of calendar days from (and including), that RFR Banking Day "i" up to (but excluding), the following RFR Banking Day (in the periods without holidays it will be one (1) for Monday, Tuesday, Wednesday, Thursday and three (3) for Friday, and in case of holidays the value will be increased by one (1) for each day that is a holiday);

"bo" means 360, unless the RFR is SONIA, where "bo" is 365;

"tn_i" means the number of calendar days in the Interest Period.

§ 9. Rules for calculating the Compounded RFR Rate in accordance with the Compounding Method with observation shift

1. The provisions of this § 9 shall apply if Compounding Method with observation shift applies to the Transaction.
2. Compounded RFR Rate for a given Interest Period is equal to the percentage rate per annum (rounded to: (a) four (4) decimal places, if it is based on SONIA or SARON or (b) five (5) decimal places, if it is based on SOFR) calculated as set out below:

$$SRFR = \left[\prod_{i=1}^{d_0} \left(1 + \frac{RFR_i \times n_i}{bo} \right) - 1 \right] \times \frac{bo}{tn_i}$$

where:

"SRFR" means the Compounded RFR Rate for the given Interest Period;

"d₀" means the number of RFR Banking Days in the Interest Period;

"Observation Period" means the period from and including the day falling the applicable Lookback Period prior to the first day of that Interest Period and ending on, but excluding, the day falling the applicable Lookback Period prior to the last day of that Interest Period

"i" means a series of whole numbers from one to d₀, each representing the relevant RFR Banking Day in chronological order in the Observation Period;

"RFR_i" means, for any RFR Banking Day "i" in the Observation Period, the RFR for the RFR Banking Day "i";

"n_i" means, for any RFR Banking Day "i", the number of calendar days from (and including) that RFR Banking Day "i" up to (but excluding) the following RFR Banking Day (in the periods without holidays it will be one (1) for Monday, Tuesday, Wednesday, Thursday and three (3) for Friday, and in case of holidays the value will be increased by one (1) for each day that is a holiday);

"bo" means 360, unless the RFR is SONIA, where "bo" is 365;

"tn_i" means the number of calendar days in the Observation Period.

Rules setting exchange rates indicated in the Bank's FX rates table. Availability of the Bank's current FX rates table

- §1. Foreign currency buy and sell rates applied by the Bank, hereinafter referred to as "**FX rates**" are determined by the Bank on the basis of the following:
- 1) average market FX rates of specific foreign currencies applied on the interbank FX market, published in the Refinitiv information service (formerly Thomson Reuters), hereinafter referred to as the "**Average Market Foreign Exchange Rates**", and
 - 2) foreign exchange spreads determined in the Bank, pursuant to the rules determined below.
- §2. In the case that an Average Market Foreign Exchange Rate is not published in the information service referred to above, the Bank sets the FX Rates based on data relating to the Average Market Foreign Exchange Rates published in another information or transaction service. Should it be the case, information on the source of data relating to the Average Market Foreign Exchange Rates, on the basis of which the FX Rates have been set, is provided in the FX Table valid at the Bank.
- §3. The FX Rates are set by the Bank under the following rules:
- 1) a foreign currency sell rate, hereinafter referred to as the "**Sell Rate**", is set as an Average Market Foreign Exchange Rate increased by a foreign exchange spread set for foreign currency sale, hereinafter referred to as the "**Currency Sell Spread**" which is calculated in the following manner:
Currency Sell Spread = Average Market Exchange Rate x sale correction factor.
 - 2) a foreign currency buy rate, hereinafter referred to as the "**Buy Rate**", is set as an Average Market Foreign Exchange Rate decreased by a foreign exchange spread set for foreign currency purchase, hereinafter referred to as the "**Currency Buy Spread**" which is calculated in the following manner:
Currency Buy Spread = Average Market Exchange Rate x purchase correction factor.
- §4. The difference between the Sell Rate and the Buy Rate of a given currency, calculated in line with the rules specified above, is a Foreign Exchange Spread which is a sum of the Currency Sell Spread and the Currency Buy Spread.
- §5. The Bank sets the value of the purchase correction factors and the sale correction factors depending on the interbank foreign exchange market volatility, liquidity of particular currencies and competitiveness of FX Rates offered to the customers, while the amount of:
- 1) the Currency Sell Spread or the Currency Buy Spread calculated using these coefficients may not be higher than 5% of the Average Market Foreign Exchange Rate, whereas
 - 2) The currency spread may not be higher than 10% of the average market exchange rate of the currency,
- with the proviso that the amount of these factors may be changed no more than once a calendar month.
- §6. Information on the amount of the sale correction factors and the purchase correction factors is published in the form of an official notice available from the Bank's Uuits and the Bank's website - www.bnpparibas.pl.
- §7. Foreign currency rates binding at the Bank are published in the FX Table valid at the Bank from the day and time indicated therein until another FX Table becomes valid at the Bank. FX rates may vary during the day on which they are set.
- §8. On each business day two FX Tables valid at the Bank are prepared:
- 1) the first one, valid from **8.45 am**, and
 - 2) the last one, valid from **4.15 pm**.
- §9. Irrespective of the times, specified in §8, the Bank may prepare a new FX Table valid at the Bank, if in the time span between these hours, the Average Market Foreign Exchange Rate changed by at least half the value of the Currency Sell Spread or the Currency Buy Spread in relation to the FX Table valid at the Bank, and the change affected at least one currency listed in the FX Table valid at the Bank.
- §10. The FX Table valid at the Bank includes FX Rates determined on the basis of the Average Market Foreign Exchange Rates prevailing in the interbank currency market at **15 minutes** prior to the time specified in the table, from which a given table is valid.
- §11. Current FX Tables valid at the Bank are available at the Bank's branches, in the Internet banking system and they are published on the Bank's website - www.bnpparibas.pl
- §12. The rules and terms of fixing the FX Rates may be changed in the following cases:
- 1) new legal provisions are introduced or the existing ones are amended with regard to fixing FX rates or spreads by banks, if this requires introducing such changes at the Bank,
 - 2) decisions or recommendations are issued by bank supervision bodies, competition and consumer protection bodies or other bodies entitled to do this, to the extent these changes include adjusting solutions adopted at the Bank to these decisions or recommendations.