

**Draft resolutions of the Extraordinary General Meeting of Alior Bank S.A.  
convened for November 26th, 2018**

*Re: item 2 of the Agenda*

**Resolution No. 1/2018  
of the Extraordinary General Meeting  
of Alior Bank Spółka Akcyjna  
held on November 26th 2018**

**on: the election of the Chairperson of the Extraordinary General Meeting**

The Extraordinary General Meeting of Alior Bank S.A., with its registered office in Warsaw (the “**Bank**”), acting pursuant to Article 409 § 1 of the Act dated 15 September 2000, the Commercial Companies Code (the “**CCC**”), and § 16 section 1 of the Bank’s Articles of Association resolves as follows:

§ 1

The Extraordinary General Meeting hereby elects \_\_\_\_\_ as the Chairperson of the Meeting.

§ 2

The Resolution shall enter into force on the date of its adoption.

*Re: item 4 of the Agenda*

**Resolution No. 2/2018  
of the Extraordinary General Meeting  
of Alior Bank Spółka Akcyjna  
held on November 26th 2018**

**on: adoption of the Agenda**

§ 1

The Extraordinary General Meeting hereby adopts the following Agenda:

1. Opening of the Extraordinary General Meeting.
2. Election of the Chairperson of the Extraordinary General Meeting.
3. Acknowledgement that the Extraordinary General Meeting has been convened appropriately and is capable of adopting resolutions.
4. Adoption of the agenda.
5. Adoption of the resolutions to change of the Articles of Association of Alior Bank S.A.

6. Adoption of the resolution on granting consent for the disposal and purchase by the Bank of financial assets classified as fixed assets and for the acquisition and disposal of shares in connection with the Bank's operating activities
7. Closing of the Extraordinary General Meeting.

§ 2

The Resolution shall enter into force on the date of its adoption.

*Re: item 5 of the Agenda*

**Resolution No. 3/2018  
of the Extraordinary General Meeting  
of Alior Bank Spółka Akcyjna  
held on November 26th 2018**

**on: change of the Articles of Association of Alior Bank S.A.**

Pursuant to Art. 430 § 1 of the Commercial Companies Code and Art. 17 § 2 point 1 of the Articles of Association of Alior Bank S.A., the Extraordinary General Meeting of Alior Bank S.A. resolves as follows:

§ 1

The following modifications are being made to the Articles of Association of Alior Bank S.A.:

**1) § 20 section 2 reading as follows:**

„2. The Supervisory Board may create and appoint the Audit Committee and other permanent and ad-hoc committees from among its members. The tasks and competences of particular committees are determined by the Supervisory Board.”

**shall read as follows:**

„2. The Supervisory Board appoints from among its members an Audit Committee, a Risk Committee and other committees required by law. The Supervisory Board may also establish permanent or ad hoc committees to perform specific activities.”

**2) to § 20 section 3 shall be added as follows:**

„3. The tasks and competences of particular committees are determined by the Supervisory Board.”

**3) to § 23 section 2 point 28) shall be added as follows:**

„28) approving the remuneration policy developed by the Management Board and supervising its implementation and functioning.”

**4) from § 31 section 5 reading as follows shall be removed:**

„5. Under the risk management system the Bank:

- 1) uses formalized policies aimed at determining the amount of risk taken and the principles for its management;
- 2) uses formalized procedures aimed at identifying, measuring or assessing and monitoring the risk in respect of the Bank's operations, also taking into consideration the anticipated level of future risk;
- 3) uses formalized limits to reduce risk and principles for proceeding in the event of exceeding the limits;
- 4) uses the adopted management reporting system enabling monitoring the level of risk;
- 5) has an organizational structure adapted to the Bank's risk level and profile."

**5. after § 31 chapter XIa shall be added reading as follows:**

„CHAPTER XIa" THE RISK MANAGEMENT SYSTEM

§ 31a

1. The tasks of the risk management system are identification, measurement or estimation, control, monitoring and reporting of risk occurring in the Bank's operations.
2. As part of the risk management system, the Bank:
  - 1) applies formal principles for determining the amount of risk taken and risk management principles;
  - 2) uses formal procedures to identify, measure or estimate and monitor the risk occurring in the Bank's operations, also taking into account the expected level of risk in the future;
  - 3) applies formal limits limiting the risk and rules of conduct in case of exceeding the limits;
  - 4) applies the adopted system of management reporting enabling monitoring of the level of risk;
  - 5) has an organizational structure adjusted to the level and profile of the risk borne by the Bank.
3. The Bank supervises the risk related to the activities of subsidiaries."

**6. § 32 reading as follows:**

„§ 32

1. An internal control system operates in the Bank which is aimed at supporting decision-making processes which are aimed at assuring:
  - 1) effectiveness of the Bank's operations;
  - 2) reliability of financial reporting;
  - 3) compliance of the Bank's operations with the legal and internal regulations.
2. The internal control system covers:
  - 1) risk control mechanisms;
  - 2) investigating compliance of the Bank's operations with the legal and internal regulations;
  - 3) internal audit.

3. The internal control system covers the Bank's organizational units, its branches and subsidiaries.
4. The Supervisory Board supervises the implementation of the internal control system and assesses its adequacy and effectiveness to ensure the Bank's stable and prudent management.
5. The Management Board is responsible for developing internal control system procedures. The internal control system procedures have to be approved by the Supervisory Board.
6. A separate organizational unit is created within the Bank which conducts internal audits, the objective of which is to audit and assess, in an independent and unbiased way, the adequacy and effectiveness of internal controls and to provide an opinion on the Bank's management system, including on the effectiveness of managing the Bank's inherent risks.
7. The internal audit unit reports directly to the Chairman of the Management Board. Taking decisions under the Bank's management system, the Management Board takes into consideration the results of the audits performed by the internal audit unit. The Bank's Management Board takes actions aimed at ensuring the uninterrupted and effective operation of internal controls, including proper cooperation of all the Bank's employees with the internal audit unit.
8. The manager of the internal audit unit submits to the Supervisory Board and to the Management Board periodically, at least once a year, information on irregularities noted and conclusions following from the internal audits conducted, and actions taken to remove the irregularities or to act upon the conclusions. The person managing the internal audit unit is entitled to participate in Management Board and Supervisory Board meetings where issues directly related to the tasks of the internal audit unit and supervision over internal controls are discussed. At least once a year the person managing the internal audit unit participates in Supervisory Board meetings at which the operations of the internal audit unit are discussed.
9. The Bank's Management Board determines the detailed principles of operation of the Bank's internal control system and the organization and scope of activities of the internal audit unit."

**shall read as follows:**

„§ 32

1. The Bank has an internal control system whose aim is to ensure:
  - 1) effectiveness and efficiency of the Bank's operations;
  - 2) reliability of financial reporting;
  - 3) compliance with the risk management principles;
  - 4) compliance of the Bank's operations with the provisions of law and internal regulations and market standards.
2. As part of the internal control system, the Bank distinguishes:
  - 1) control function aimed at ensuring compliance with control mechanisms concerning, in particular, risk management at the Bank, which includes

positions, groups of people or organizational units responsible for the implementation of tasks assigned to this function;

- 2) a compliance unit with the task of identifying, assessing, controlling and monitoring the risk of non-compliance of the Bank's operations with the law, internal regulations and market standards and presenting reports in this respect;
- 3) an independent internal audit unit whose task is to audit and assess in an independent and objective manner the adequacy and effectiveness of the risk management system and the internal control system, excluding the internal audit unit.

3. The internal control system includes the organizational units of the Bank, the Bank's branches and subsidiaries.

4. The Supervisory Board supervises the implementation of the internal control system and annually evaluates its adequacy and effectiveness in order to ensure stable and prudent management of the Bank.

5. The Management Board is responsible for the development of the internal control system procedures. Internal control procedures are subject to approval by the Supervisory Board.

6. The internal audit unit reports directly to the President of the Management Board. Supervision over the activity of the internal audit unit is exercised by the Supervisory Board through the Audit Committee.

7. The Bank's Management Board takes actions aimed at ensuring the continuity of the internal control system, including proper cooperation of all the Bank's employees as part of the control function and cooperation with the internal audit unit and compliance.

8. The method of positioning the internal audit and compliance units in the Bank's organizational structure guarantees their independence.

9. The head of the internal audit unit and compliance shall be ensured direct contact with the members of the Management Board and the Supervisory Board. Their appointment and dismissal (after prior hearing) takes place with the consent of the Supervisory Board. In the event of a change in these positions, the Bank shall immediately inform the Polish Financial Supervision Authority and indicate its reasons.”

**7) § 34 reading as follows:**

„§ 34

1. The Bank's own funds cover:

- 1) the Bank's basic funds (Tier 1);
- 2) the Bank's supplementary funds in an amount not exceeding the Bank's basic funds.

2. Basic funds include:

- 1) core funds which comprise:
  - a) paid-up and registered share capital;
  - b) supplementary capital;
  - c) other reserves with the exclusion of all liabilities in respect of preference shares.

- 2) additional items of basic funds which comprise:
  - a) the general banking risk reserve for unidentified operating risks;
  - b) unappropriated profit from prior years;
  - c) profit which is being approved and net profit for the current reporting period, calculated in accordance with the binding accounting regulations, net of all anticipated charges and dividends, in amounts no higher than the profit verified by registered auditors;
  - d) the Bank's other balance sheet items specified by the Polish Financial Supervision Authority.
- 3) items decreasing basic funds, specified in the act – the Banking Law, in specific regulations issued on its basis and determined by the Polish Financial Supervision Authority.
3. Supplementary funds are established on the terms and conditions and according to the procedures specified in the act – the Banking Law and in specific regulations issued on its basis, and they comprise:
  - 1) the non-current non-financial asset revaluation reserve;
  - 2) subordinated liabilities established after obtaining the consent of the Polish Financial Supervision Authority.
4. The Bank may create special funds.
5. The Bank may isolate reserves for performing brokerage activities.”

**shall read as follows:**

„§ 34

The Bank's own funds cover:

- 1) paid-up and registered share capital;
- 2) supplementary capital;
- 3) other reserves with the exclusion of all liabilities in respect of preference shares;
- 4) unappropriated profit from prior years;
- 5) profit which is being approved and net profit for the current reporting period, calculated in accordance with the binding accounting regulations, net of all anticipated charges and dividends, in amounts no higher than the profit verified by registered auditors;
- 6) fund from revaluation of financial assets, qualified to the category of assets measured at fair value through other comprehensive income;
- 7) fund from revaluation of the effective part of cash flow hedging;
- 8) the fund related to write-offs and deferred income tax assets.”

**8) § 35 reading as follows shall be removed:**

„§ 35

1. Special funds are established and released on the basis of a resolution of the General Shareholders' Meeting, unless the obligation to establish the fund follows from the act.

2. Regulations relating to special funds, supplementary capital and other reserves are passed by a resolution of the Supervisory Board at the request of the Management Board; this does not relate to the regulations on managing the Company Social Fund funds, which are passed by the Bank's Management Board in consultation with the company labour union organizations.”

**9) § 38 reading as follows shall be removed:**

„§ 38

The general banking risk reserve is set up from annual deductions from net profit in amounts passed by the General Shareholders' Meeting. The reserve is earmarked for unidentified banking risks.”

**10) § 40 section 1 point 3) reading as follows shall be removed:**

„3) the general banking risk reserve for unidentified operating risks”

§ 2

The General Meeting authorizes the Supervisory Board of the Bank to determine the consolidated text of the Bank's Articles of Association, taking into account changes resulting from the provisions of this Resolution.

§ 3

The resolution shall enter into force on the day of its adoption, provided that the amendments to the Articles of Association of Alior Bank SA are entered. in the Register of Entrepreneurs of the National Court Register.

*Re: item 6 of the Agenda*

**Resolution No. 4/2018  
of the Extraordinary General Meeting  
of Alior Bank Spółka Akcyjna  
held on November 26th 2018**

**on: granting consent for the disposal and purchase by the Bank of financial assets  
classified as fixed assets and for the acquisition and disposal of shares in connection with  
the Bank's operating activities**

Based on Article 393<sup>1</sup> of the Code of Commercial Companies and § 17a section 1 – 4 of the Articles of Association of Alior Bank S.A. with its registered office in Warsaw ("**the Bank**"), the Extraordinary General Meeting of the Bank resolves as follows:

**§ 1**

1. Pursuant to § 17a section 1 and 2 of the Bank's Articles of Association, subject to paragraph 2 below, the Extraordinary General Meeting of the Bank agrees to:
  - 1) disposal by the Bank of financial assets classified to those categories of fixed assets within the meaning of the Act of September 29th, 1994, on accounting ("**the Accounting Act**") which are listed in § 17a section 1 of the Articles of Association of the Bank, with a market value exceeding 5% of the total assets of the Bank within the meaning of the Accounting Act, determined on the basis of the last approved financial statements of the Bank; and
  - 2) acquisition by the Bank of financial assets classified as fixed assets within the meaning of the Accounting Act in the amount exceeding PLN 100,000,000 (in words: one hundred million) or 5% of the total assets of the Bank within the meaning of the Accounting Act established on the basis of the last approved financial statements of the Bank;in each case, in accordance with the appropriate internal regulations of the Bank.
2. The activities referred to in paragraph 1 may, in particular, but not exclusively, include:
  - 1) disposal and purchase of receivables and debt portfolios, including credit, loan, leasing, factoring and securitization receivables;
  - 2) granting of loans and cash loans;
  - 3) disposal and purchase of Treasury securities issued under the Act of August 27th, 2009, on public finance;
  - 4) disposal and purchase of derivative instruments;
  - 5) disposal and purchase of financial instruments other than shares; and
  - 6) acquisition by the Bank of:

- a) a bank subject to liquidation, a banking enterprise or its organized part in accordance with the Act of August 29th, 1997, Banking Law on the basis of a decision or with the consent of the Polish Financial Supervision Authority; or
- b) a cooperative savings and credit union or selected property rights or selected liabilities of a cooperative savings and credit union pursuant to the Act of November 5th, 2009, on cooperative savings and credit unions on the basis of a decision of the Polish Financial Supervision Authority.

## **§ 2**

Pursuant to § 17a section 3 and 4 of the Bank's Articles of Association, the Extraordinary General Meeting provides consent for the acquisition and disposal by the Bank of shares of another company with a value exceeding PLN 100,000,000 (in words: one hundred million), in each case due to implementation by the Bank of collaterals established for the benefit of the Bank, including disposal by the Bank of the subject of collaterals established for the benefit of the Bank to third parties, in accordance with the Bank's relevant internal regulations.

## **§ 3**

The disposal and acquisition by the Bank of financial assets classified as fixed assets and the acquisition and disposal of shares in connection with the Bank's operational activities, referred to in § 1 and § 2, requires a positive opinion of the Bank's Supervisory Board.

## **§ 4**

The Extraordinary General Meeting of the Bank obliges the Management Board to present at each Annual General Meeting of the Bank a statement of activities and basic conditions of activities performed by the Bank in the previous financial year based on the consents referred to in § 1 and § 2.

## **§ 5**

The consents referred to in § 1 – § 3 do not exclude the obligation to obtain the consent of the Bank's body or bodies to the extent that the necessity of obtaining it results from a different legal basis than indicated respectively in § 1 – § 3.

## **§ 6**

The Resolution shall enter into force on the date of its adoption.