

Draft amendment of the Alior Bank S.A. Articles of Association with rationale

1. The Bank's § 7 Sections 1 Articles of Association shall be amended as follows:

"1. The Bank's business comprises performing the following banking activities:

- 1) accepting cash deposits payable on demand or on a specified date, and maintaining accounts for said deposits,*
- 2) maintaining other bank accounts,*
- 3) granting loans,*
- 4) granting and confirming bank guarantees and opening and approving letters of credit,*
- 5) issuing bank securities,*
- 6) clearing banking cash transactions,*
- 7) granting cash loans,*
- 7¹) transactions involving cheques and bills of exchange and transactions involving warrants,*
- 8) issuing payment cards and conducting transactions with the use of cards,*
- 9) forward financial transactions,*
- 10) purchasing and selling cash receivables,*
- 11) custody services in respect of objects and securities, and providing safe deposit facilities,*
- 12) buying and selling foreign-currency monetary instruments,*
- 13) granting and confirming warranties,*
- 14) intermediation in transferring cash and making foreign currency settlements,*
- 15) issuing e-money instruments,*
- 16) performing commissioned tasks related to issuing securities."*

The current § 7 Sections 1 of the Bank's Articles of Association reads as follows:

"1. The Bank's business comprises performing the following banking activities:

- 1) accepting cash deposits payable on demand or on a specified date, and maintaining accounts for said deposits;*
- 2) maintaining other bank accounts;*
- 3) granting loans;*
- 4) granting and confirming bank guarantees and opening and approving letters of credit;*
- 5) issuing bank securities;*
- 6) clearing banking cash transactions;*
- 7) granting cash loans;*
- 8) issuing payment cards and conducting transactions with the use of cards;*
- 9) forward financial transactions;*
- 10) purchasing and selling cash receivables;*

- 11) custody services in respect of objects and securities, and providing safe deposit facilities;*
- 12) buying and selling monetary instruments;*
- 13) granting and confirming warranties;*
- 14) intermediation in transferring cash and making foreign currency settlements;*
- 15) issuing e-money instruments; and*
- 16) performing commissioned tasks related to issuing securities”*

2. The Bank’s § 7 Sections 2 Articles of Association shall be amended as follows:

“2. The Bank’s business also comprises performing the following actions:

- 1) incurring liabilities related to issuing securities,*
- 2) trading in securities,*
- 3) providing consulting and advisory services on financial issues,*
- 4) providing the following other financial services:*
 - a) factoring services,*
 - b) forfaiting services,*
 - c) intermediation services in respect of lease contracts,*
 - d) intermediation services in granting loans and credit facilities,*
 - e) services consisting of performing factual actions in respect of intermediation in the purchase and sale of foreign currencies,*
 - f) intermediation services in respect of monetary settlements provided to banks, financial institutions, settlement agents, and to brokerage houses, entities providing leasing services, investment fund management companies, and investment funds,*
 - g) financial services connected with securities issued abroad and other financial instruments and the keeping thereof, including the maintenance of a register of financial instruments registered by foreign financial institutions, foreign lending institutions, and depositary and settlement institutions,*
- 5) engaging in brokerage operations,*
- 6) performing insurance intermediation actions,*
- 7) performing actions related to issuing and servicing financial instruments which are not securities,*
- 8) providing specialist services to companies related to the Bank in terms of equity consisting specifically of making available IT systems and technologies, including data processing services, creating, using and maintaining computer software and IT infrastructure, and other services to make cooperation with those entities in the area of the financial services they offer more efficient,*

- 9) *sales of coins, banknotes and numismatic coins issued by the National Bank of Poland (NBP) for collections and for other purposes,*
- 10) *operating as a settlement agent,*
- 11) *conducting custody activities,*
- 12) *acting as a depositary for pension funds and investment funds, keeping, based on an order, registers of investment fund participants and registers of pension fund participants,*
- 13) *collection activities,*
- 14) *performing the activities of a representative-bank within the meaning of the Act on Bonds,*
- 15) *accepting orders to buy and repurchase investment fund units or participation titles in foreign funds, and accepting subscription orders for units of investment certificates of investment funds,*
- 16) *maintaining registered savings and credit accounts and granting contract loans within the scope of activities of a building society.”*

The current § 7 Sections 2 of the Bank’s Articles of Association reads as follows:

“2. The Bank’s business also comprises performing the following actions:

- 1) *incurring liabilities related to issuing securities;*
- 2) *trading in securities;*
- 3) *providing consulting and advisory services on financial issues;*
- 4) *providing the following other financial services:*
 - a) *factoring services;*
 - b) *forfeiting services;*
 - c) *intermediation services in respect of lease contracts;*
 - d) *intermediation services in granting loans and borrowings;*
 - e) *services consisting of performing factual actions in respect of intermediation in the purchase and sale of foreign currencies;*
- 5) *engaging in brokerage operations;*
- 6) *performing insurance intermediation actions;*
- 7) *performing actions related to issuing and servicing financial instruments which are not securities;*
- 8) *providing specialist services to companies related to the Bank in terms of equity, consisting specifically of making available IT systems and technologies, including data processing services, creating, using and maintaining computer software and IT infrastructure, and other services to make cooperation with those entities in the area of the financial services they offer more efficient;*
- 9) *sales of coins, banknotes and numismatic coins for collections and for other purposes issued by the National Bank of Poland (NBP).*

10) to operate as an acquiring bank”

3. The following § 7 section 2¹ will be added to the Bank’s Articles of Association:

“2¹. The Bank may perform commissioned activities that are within the scope of the Bank’s business for other domestic or foreign banks, and lending or financial institutions.”

4. The Bank’s § 9 Sections 1 Articles of Association shall be amended in the following way:

“1. The share capital of the Bank amounts to at least PLN [A] ([A]) and not more than PLN [B] ([B]) and shall be divided into at least [C] ([C]) ordinary shares with a nominal value of PLN 10 (ten zloty) each, and not more than [D] ([D]) ordinary shares with a nominal value of PLN 10 (ten zloty) each, including:

- 1) 50,000,000 (fifty million) ordinary series A shares;*
- 2) 1,250,000 (one million, two hundred and fifty thousand) ordinary series B shares;*
- 3) 12,332,965 (twelve million, three hundred and thirty-two thousand, nine hundred and sixty-five) ordinary series C shares;*
- 4) 6,358,296 (six million, three hundred and fifty-eight thousand, two hundred and ninety-six) ordinary series G shares;*
- 5) 410,704 (four hundred and ten thousand, seven hundred and four) ordinary series D shares;*
- 6) 2,355,498 (two million, three hundred and fifty-five thousand, four hundred and ninety-eight) ordinary series H shares;*
- 7) [E] ([E]) ordinary series I shares; and*
- 8) at least one (1) and up to [Y] ([Y]) ordinary series J shares.”*

where:

[A] – means the minimum amount of the share capital of the Acquiring Bank, being the sum of: the amount of the share capital of the Acquiring Bank as at the date of the Demerger Plan, the final amount of the increase of the share capital of the Acquiring Bank through the issuance of series I shares in the course of a public offering, and PLN 10 resulting from the issue of 1 ordinary series J share in connection with the Demerger;

[B] – means the maximum amount of the share capital of the Acquiring Bank, being the sum of: the amount of the share capital of the Acquiring Bank as at the date of the Demerger Plan, the final amount of the increase of the share capital of the Acquiring Bank through the issuance of series I shares in the course of a public offering, and the maximum amount resulting from the issue of series J shares in connection with the Demerger.

[C] – means the minimum number of shares in the Acquiring Bank being the sum of: the number of shares in the Acquiring Bank as at the date of the Demerger Plan and 1 series J share issued in connection with the Demerger;

[D] – means the maximum number of shares in the Acquiring Bank being the sum of: the number of shares in the Acquiring Bank as at the date of the Demerger Plan and the maximum number of the series I shares issued in connection with the Demerger and [Y];

[E] – means the final number of series I shares issued in the course of a public offering; and

[Y] - means the maximum number of the series J shares in the Acquiring Bank issued in connection with the Demerger.

The current § 9 Sections 1 of the Bank's Articles of Association reads as follows:

“1. The share capital of the Bank is PLN 727,074,630 (seven hundred twenty seven million, seventy four thousand and six hundred thirty) and is divided into 72,707,463 (seventy two million, seven hundred and seven thousand, four hundred and sixty three) ordinary shares with a nominal value of PLN 10 (ten zloty) each, including:

- 50,000,000 (fifty million) ordinary series A shares;*
- 1,250,000 (one million, two hundred and fifty thousand) ordinary series B shares;*
- 12,332,965 (twelve million, three hundred and thirty two thousand, nine hundred and sixty five) ordinary series C shares;*
- 6,358,296 (six million, three hundred fifty eight thousand, two hundred and ninety six) ordinary series G shares; and*
- 410,704 (four hundred and ten thousand, seven hundred and four) ordinary series D shares.*
- 2,355,498 (two million, three hundred fifty five thousand, four hundred and ninety eight) ordinary series H shares”*

Proposed amendments to the to the Bank's Articles of Association are linked with the planned demerger of Bank BPH S.A. thought a spin-off of an organized part of the enterprise of Bank BPH S.A. to the Bank