

**Annex No. 25**

**approved by the Polish Financial Supervision Authority decision on 15 October 2018, to the Issue Prospectus of the Basic Program of Mortgage Bonds for bearer with a total nominal value of PLN 2,000,000,000 of Pekao Bank Hipoteczny S.A. approved by the Polish Financial Supervision Authority on 24 August 2010.**

In connection with the amendments to the Statute of Pekao Bank Hipoteczny S.A., which on 20 September 2018 were registered in the register of entrepreneurs maintained by the District Court for the Capital City of Warsaw, XIII Commercial Division of the National Court Register and became legally binding on 11 October 2018, the following changes are introduced to the Issue Prospectus:

**Prospectus**

**In Chapter XXI Annexes, the following Annex shall be added after page 117: Resolution of the Issuer's General Meeting of Shareholders of 24 August 2018 on amendments to the Statute of Pekao Bank Hipoteczny S.A. with the following wording:**

**“Resolution no. 1 of the  
General Meeting of Shareholders of Pekao Bank Hipoteczny S.A.  
of 24 August 2018  
on amending the Statute of Pekao Bank Hipoteczny S.A.**

I. Acting pursuant to Art. 430 of the Code of Commercial Companies and Partnerships and §39 section 2 point 5 of the Statute of Pekao Bank Hipoteczny S.A., the Extraordinary General Meeting of the Bank shall make the following amendments to the Statute of the Bank: -----

1) § 19 shall be replaced by the following: -----

**“§ 19**

**1. The Bank's financial management is conducted in accordance with the rules set forth in the Banking Law, the Act on the National Bank of Poland, the Act and other applicable laws. -----**

**2. The Bank has its own funds established in accordance with the rules set forth in applicable laws. -----**

**3. Own funds constituting the basis for the development of banking operations and obtained by the Bank through the issue of shares, the supply of retained earnings from previous years or acquisition of long-term instruments, included in own funds with the consent of supervisory units, include the following items: -----**

**1) share capital, -----**

**2) supplementary capital, -----**

**3) reserve capital, -----**

4) general banking risk fund, -----

5) subordinated loans. -----

4. The supplementary capital is earmarked for covering balance sheet losses that may arise in connection with the Bank's operations. At least 8% (eight percent) of the net profit must be transferred to the supplementary capital until the supplementary capital reaches at least one third of the share capital. In the event of a decrease in the supplementary capital or an increase in the share capital, write-offs to the supplementary capital are resumed until the required amount is reached. The supplementary capital should also include surpluses earned on the issue of shares above their nominal value, and surpluses remaining after covering the costs of the issue of shares. -----

5. The reserve capital is created on the basis of a resolution of the General Meeting of Shareholders to cover specific losses or expenses of the Bank. The amount of funds allocated to the reserve capital and the rules of its use shall be decided by the General Meeting in the form of a resolution. -----

6. The general banking risk fund is established from net profit for unidentified risks of banking activity. The fund is credited from the annual net profit appropriation in the amount approved by the General Meeting of Shareholders. The use of the fund is decided by the General Meeting, subject to applicable laws and regulations.-----

7. Subordinated loans are classified as own funds, provided that the conditions set out in applicable laws are met. -----

8. Balance sheet losses are covered by the supplementary capital.-----

9. The Bank's accounting records are kept in accordance with the applicable laws and regulations.”. -----

2) § 27 shall be replaced by the following:-----

“§ 27

The following persons are authorized to make declarations of will on behalf of the Bank:

1) two members of the Management Board acting jointly or one member of the Management Board acting jointly with a proxy or a proxy appointed by the Management Board, -----

2) proxies appointed by the Management Board within the limits of received powers of attorney, -----

3) each member of the Management Board individually - within the scope of requests for change of a mortgage creditor and requests for disclosure of information

**concerning the entry of claims secured by a mortgage in the register of collateral for mortgage covered bonds, filed in proceedings before the land and mortgage register courts.”. -----**

II. The Resolution shall come into force on the day of its adoption due to the fact that the Polish Financial Supervision Authority has granted a permit to amend the Bank's Statutes in accordance with the decision of 3 August 2018 regarding the file no. DLB-WL2.700.233.2018.KZ, provided that the amendments to the Statutes referred to in item I of the Resolution become effective on the day they are entered into the Register of Entrepreneurs of the National Court Register”. -----

**For the Issuer**

**Tomasz Mikoda**

**Rafał Litwińczuk**

President of the Management Board

Member of the Management Board