

Updating Announcement no. 1 dated 21 October 2011 to the Basic Prospectus of Pekao Bank Hipoteczny S.A.

In connection with the change of the procedure for registration of mortgage bonds in the National Deposit of Securities and the need to adjust the provisions of the Basic Prospectus of the Pekao Bank Hipoteczny S.A., approved by the Polish Financial Supervision Authority on 24 August 2010 (hereinafter referred to as "Prospectus") concerning investor's payment for the mortgage bonds, the following changes shall be made:

Prospectus

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Chapter II. Conclusion

5. Basic parameters of the Mortgage Bond Issue Program

Table

Last row

Original text:

The nominal value of a single series of Mortgage Bonds issued as a part of the Issue Program	The minimum amount of PLN 10,000,000 or its equivalent in EUR. The maximum amount (a value in PLN or its equivalent in EUR) shall be agreed by and between the Issuer and the Dealers.
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New text:

The nominal value of a single series of Mortgage Bonds issued as a part of the Issue Program	The minimum value of a single series of the Mortgage Bonds and the threshold for effective issue have not been defined. The maximum amount (a value in PLN or its equivalent in EUR) shall be agreed by and between the Issuer and the Dealers.
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XVII. Information on the terms of the offering and admission to trading

1.1.3. Terms of validity of the offering and description of the subscription application submission procedure

C. Rules for submission of subscription applications for the Mortgage Bonds in the Offering according the Service Underwriting Procedure

Rules for submission of subscription applications by the Invited Investors purchasing the Mortgage Bonds from the Service Underwriter

At the end, a passage with the following text shall be added:

If the registration of the Mortgage Bonds of a given series in the KDPW takes place as a result of accounting and settlement by the KDPW of the transactions performed as a part of the Offering, which leads to recording the Mortgage Bonds in the recording accounts of the members with simultaneous charging of their cash accounts, i.e. in accordance with the procedure defined in sec. 11 of the Detailed Principles of Operation of the National Depository of Securities (Appendix no. 1 to the resolution of the Management Board of the National Depository of Securities no. 176/09 of 15 May 2009 (as amended), payment for the Mortgage Bonds of that series will take place by way of exchange of settlement instructions between the entity keeping the securities account of the Invited Investor and the entity representing the Service Underwriter (according to the delivery versus payment principle). In such a case, indication by the Invited Investor of the full number of the securities account and the exact name of the brokerage/bank keeping that account for the purpose of settlement of the payment and settlement of the Mortgage Bonds shall be obligatory and a failure to do so or provision of incomplete or inaccurate information will lead to invalidity of the subscription.

The procedure for registration of the Mortgage Bonds and the method of payment for the Mortgage Bonds of a given series will be indicated in the Supplement pertaining to the Mortgage Bonds of the specific series.

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XVII. Information on the terms of the offering and admission to trading

1.1.4. Description of the possibility of reduction of the subscriptions and method of returning the overpaid amounts to the investors

At the end, a passage with the following text shall be added:

If payment for the Mortgage Bonds of a given series takes place by way of exchange of settlement instructions between the entity keeping the securities account of the Invited Investor and the entity representing the Service Underwriter (according to the delivery versus payment principle), in order to pay for the Mortgage Bonds covered by the subscription, the Invited Investor will be required to issue a settlement instruction by the time limit and with the parameters defined in the Invitation received. The issue of a settlement instruction of different parameters and by a different time limit may result in non-payment for the submitted subscription application by the required time limit and, consequently, in failure to allot the Mortgage Bonds to the Invited Investor. The method of payment will be indicated the Supplement pertaining to the Mortgage Bonds of the specific series.

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XVII. Information on the terms of the offering and admission to trading

1.1.6. Method and time limits for making payments and delivery of securities

A. Payments for the Mortgage Bonds purchased by the Invited Investors from the Service Underwriter

At the end, a passage with the following text shall be added:

If payment for the Mortgage Bonds of a given series takes place by way of exchange of settlement instructions between the entity keeping the securities account of the Invited Investor and the entity representing the Service Underwriter (according to the delivery versus payment principle), in order to pay for the Mortgage Bonds covered by the subscription, the Invited Investor will be required to issue a settlement instruction by the time limit and with the parameters defined in the Invitation received. Information on the method of payment for the Mortgage Bonds purchased by the Invited Investors from the Service Underwriter will also be made available in the places and on the dates of collection of the subscription applications for the Mortgage Bonds of a specific series.

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XVII. Information on the terms of the offering and admission to trading

1.1.6. Method and time limits for making payments and delivery of securities

B. Delivery of securities

Original text:

The Investor filing a subscription application for the Mortgage Bonds indicates in the application form the number of the securities account and the name of the entity keeping the account where all the Mortgage Bonds purchased by the Investor are to be deposited.

Before the commencement of the Offering, the Issuer will conclude with the National Depository of Securities (KDPW) a contract for registration of the Mortgage Bonds in the KDPW. After the Mortgage Bonds of a given series have been allotted, they will be deposited without delay in the securities accounts of their buyers.

New text:

The Investor filing a subscription application for the Mortgage Bonds indicates in the application form the number of the securities account and the name of the entity keeping the account where all the Mortgage Bonds purchased by the Investor are to be deposited.

The Issuer will file an application with the National Depository of Securities (KDPW) for concluding a contract for registration of the Mortgage Bonds in the KDPW. After the Mortgage Bonds of a given series have been allotted, the Issuer and the Service Underwriter will take appropriate steps aimed at depositing the Mortgage Bonds without delay in the securities accounts of the Investors to whom they have been allotted.

If the registration of the Mortgage Bonds of a given series in the KDPW takes place as a result of accounting and settlement by the KDPW of the transactions performed as a part of the Offering, which leads to recording the Mortgage Bonds in the recording accounts of the members with simultaneous charging of their cash accounts, i.e. in accordance with the procedure defined in sec. 11 of the Detailed Principles of Operation of the National Depository of Securities (Appendix no. 1 to the resolution of the Management Board of the National Depository of Securities no. 176/09 of 15 May 2009 (as amended)), the registration shall take place after the KDPW is provided with a settlement instruction by the entity keeping the securities account of the Investor that is compliant with the settlement instruction of the entity representing the Service Underwriter and after the Mortgage Bonds of a given series have been paid for. In such a case, indication by the Invited Investor of the full number of the securities account and the exact name of the brokerage/bank keeping that account for the purpose of settlement of the payment and settlement of the Mortgage Bonds shall be obligatory. The registration procedure will each time be indicated in the Supplement pertaining to the specific series of the Mortgage Bonds.

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XVII. Information on the terms of the offering and admission to trading

2.1.3. Terms of validity of the offering and description of the subscription application submission procedure

C. Rules for submission of subscription applications for the Mortgage Bonds in the Offering according the Regular Procedure

Rules for submission of subscription applications by the Invited Investors

At the end, a passage with the following text shall be added:

If the registration of the Mortgage Bonds of a given series in the KDPW takes place as a result of accounting and settlement by the KDPW of the transactions performed as a part of the Offering, which leads to recording the Mortgage Bonds in the recording accounts of the members with simultaneous charging of their cash accounts, i.e. in accordance with the procedure defined in sec. 11 of the Detailed Principles of Operation of the National Depository of Securities (Appendix no. 1 to the resolution of the Management Board of the National Depository of Securities no. 176/09 of 15 May 2009 (as amended)), payment for the Mortgage Bonds of the specific series series will take place by way of exchange of settlement instructions between the entity keeping the securities account of the Invited Investor and the entity representing the Issuer (according to the delivery versus payment principle). In such a case, indication by the Invited Investor of the full number of the securities deposit and the exact name of the brokerage/bank keeping that account for the purpose of settlement of the payment and settlement of the Mortgage Bonds shall be obligatory and a failure to do so or provision of incomplete or inaccurate information will lead to invalidity of the subscription.

The procedure for registration of the Mortgage Bonds and the method of payment for the Mortgage Bonds of a given series will be indicated in the Supplement pertaining to the Mortgage Bonds of the specific series.

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XVII. Information on the terms of the offering and admission to trading

2.1.4. Description of the possibility of reduction of the subscriptions and method of returning the overpaid amounts to the investors

At the end, a passage with the following text shall be added:

If payment for the Mortgage Bonds of a given series takes place by way of exchange of settlement instructions between the entity keeping the securities account of the Invited Investor and the entity representing the Issuer (according to the delivery versus payment principle), in order to pay for the Mortgage Bonds covered by the subscription, the Invited Investor will be required to issue a settlement instruction by the time limit and with the parameters defined in the Invitation received. The issue of a settlement instruction of different parameters and by a different time limit may result in non-payment for the submitted subscription application by the required time limit and, consequently, in failure to allot the Mortgage Bonds to the Invited Investor. The method of payment will be indicated the Supplement pertaining to the Mortgage Bonds of the specific series.

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XVII. Information on the terms of the offering and admission to trading

2.1.6. Method and time limits for making payments and delivery of securities

A. Payments for the Mortgage Bonds purchased by the Invited Investors

At the end, a passage with the following text shall be added:

If payment for the Mortgage Bonds of a given series takes place by way of exchange of settlement instructions between the entity keeping the securities account of the Invited Investor and the entity representing the Issuer (according to the delivery versus payment principle), in order to pay for the Mortgage Bonds covered by the subscription, the Invited Investor will be required to issue a settlement instruction by the time limit and with the parameters defined in the Invitation received. Information on the method of payment for the Mortgage Bonds will be made available in the places and on the dates of collection of the subscription applications for the Mortgage Bonds of a specific series.

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XVII. Information on the terms of the offering and admission to trading

2.1.6. Method and time limits for making payments and delivery of securities

B. Delivery of securities

Second paragraph

Original text:

The Investor filing a subscription application for the Mortgage Bonds indicates in the application form the number of the securities account and the name of the entity keeping the account where all the Mortgage Bonds allotted to the Investor are to be deposited.

Before the commencement of the Offering, the Issuer will conclude with the KDPW a contract for registration of the Mortgage Bonds in the KDPW. After the Mortgage Bonds of a given series have been allotted, they will be deposited without delay in the securities accounts of the persons to whom they have been allotted.

New text:

The Investor filing a subscription application for the Mortgage Bonds indicates in the application form the number of the securities account and the name of the entity keeping the account where all the Mortgage Bonds allotted to the Investor are to be deposited.

The Issuer will file an application with the KDPW for concluding a contract for registration of the Mortgage Bonds in the KDPW. After the Mortgage Bonds of a given series have been allotted, the Issuer will take appropriate steps aimed at depositing the Mortgage Bonds without delay in the investment accounts of the persons to whom they have been allotted.

If the registration of the Mortgage Bonds of a given series in the KDPW takes place as a result of accounting and settlement by the KDPW of the transactions performed as a part of the Offering, which leads to recording the Mortgage Bonds in the recording accounts of the members with simultaneous charging of their cash accounts, i.e. in accordance with the procedure defined in sec. 11 of the Detailed Principles of Operation of the National Depository of Securities (Appendix no. 1 to the resolution of the Management Board of the National Depository of Securities no. 176/09 of 15 May 2009 (as amended)), the registration shall take place after the KDPW is provided with a settlement instruction by the entity keeping the securities account of the Investor that is compliant with the settlement instruction of the entity representing the Issuer and after the Mortgage Bonds of a given series have been paid for. In such a case, indication by the Invited Investor of the full number of the securities account and the exact name of the entity keeping that account for the purpose of settlement of the payment and settlement of the Mortgage Bonds shall be obligatory. The registration procedure will each time be indicated in the Supplement pertaining to the specific series of the Mortgage Bonds.

Specimen of the Final Terms of Issue of the Mortgage Bonds

5.1.2. Term of validity of the offering and description of the subscription application submission procedure

B. Rules for submission of subscription applications for the Mortgage Bonds

Original text:

Subscriptions for the Mortgage Bonds as a part of the [●] series purchased from the Service Underwriter will be collected from the Investors who have received Invitations in accordance with the rules described in Chapter XVII (1.1.3) (B and C) of the Prospectus. The number of the Mortgage Bonds of the [●] series, which the Invited Investor will be authorized to subscribe for, should be equal to the number of the Mortgage Bonds of the [●] series indicated in the Invitation sent to the Invited Investor.

If the Invited Investor files a subscription application for a smaller number of the Mortgage Bonds of the [●] series than the number defined in the Invitation or if the Investor pays for a smaller number of the Mortgage Bonds of the [●] series than the number defined in the Invitation, then the Investor will be allotted no Mortgage Bonds of the [●] series. If the Investor pays for a smaller number of the Mortgage Bonds than the number defined in the Invitation, the Service Underwriter shall be authorized to sell to the Investor the number of the Mortgage Bonds of the [●] series corresponding to the payment made. If the Invited Investor files a subscription application for a larger number of the Mortgage Bonds of the [●] series than the number indicated in the Invitation, then such a subscription application shall be considered as one for the number of the Mortgage Bonds indicated in the Invitation.

In order to file a subscription application, the Invited Investor should fill out the subscription form containing, among others, the following information:

- Investor's details:
 - first name and last name of the natural person/name of the legal person/name of the organizational unit that does not have legal personality;
 - address of residence/registered office and address, mail address;
 - the PESEL number and personal identification card number, or the passport number in the case of natural persons / the REGON number or another identification number in the case of domestic legal persons/organizational units that do not have legal personality, or the register number appropriate for the country of origin in the case of foreign legal persons;
 - the foreign-exchange status (information on whether the Investor is or is not a resident, in the meaning of the Foreign-Exchange Law);
- The number of the Mortgage Bonds of the [●] series for which the subscription application is filed;
- The sales price of one Mortgage Bond of the [●] series;
- The total amount to be paid for the Mortgage Bonds of the [●] series;
- Information on the account to which the paid sums should possibly be returned;
- The number of the securities account and the name of the investment company keeping that account, where all the purchased Mortgage Bonds of the [●] series are to be deposited;
- The Investor's representation that it has become familiar with the contents of the Prospectus and the Supplement, to include the risk factors described therein, and that it accepts the terms of purchase of the Mortgage Bonds of the [●] series;
- The date and signature of the person filing the subscription application.

The persons filing the subscription application on behalf of a legal person or an organizational unit that has no legal personality should, at the latest at the time of the filing of the application, submit valid documents confirming the authorization of the person filing the application to represent the Investor and documents that according to the applicable laws are required for effective purchase of the Mortgage Bonds of the [●] series.

The specimen of the subscription application for the Mortgage Bonds of the [●] series to be purchased from the Service Underwriter will be made available on dates when and in locations where the subscription applications for the Mortgage Bonds of the [●] series will be collected.

Any and all the consequences of improper filling of the subscription application form will be borne by the person filing the application.

It will also be possible to file the subscription applications by fax, telephone, or on the Internet, provided that the Invited Investor has appropriate agreements with the brokerage that collects the subscription applications for the Mortgage Bonds of the [●] series.

A subscription application for the Mortgage Bonds of the [●] series is irrevocable and unconditional and cannot contain any reservations. However, the Invited Investors who have filed subscription applications must keep in mind that, pursuant to art. 51a of the Act on Public Offerings, if an annex to the Prospectus is published after the commencement of the subscription or the sales, the person who has filed a subscription application prior to the time when the annex was made available may avoid the legal consequences of the filed subscription application. In order to avoid the legal consequences of a subscription application, a written representation must be submitted in one of the customer service points of the investment company offering the specific securities,

within 2 business days of the day on which the annex was made available. The right to avoid the legal consequences of a filed subscription application does not apply in cases where the annex is made available in connection with errors in the contents of the prospectus of which the issuer or the introducing entity became aware after the securities were allocated or with factors that took place or of which the issuer or the introducing entity became aware after the securities were allocated. The issuer or the introducing entity can allocate the securities not sooner than after expiry of the time limit for avoidance of the investor from the legal consequences of the subscription application filed.

Acting through an agent.

The Invited Investors are authorized to purchase the Mortgage Bonds through properly authorized agents.

The method of acting through an agent depends on the regulations of the brokerage where the Invited Investors intend to file their subscription applications for the Mortgage Bonds of the [●] series.

The number of authorizations is not limited.

New text:

Subscriptions for the Mortgage Bonds as a part of the [●] series purchased from the Service Underwriter will be collected from the Investors who have received Invitations in accordance with the rules described in Chapter XVII (1.1.3) (B and C) of the Prospectus. The number of the Mortgage Bonds of the [●] series, which the Invited Investor will be authorized to subscribe for, should be equal to the number of

the Mortgage Bonds of the [●] series indicated in the Invitation sent to the Invited Investor.

If the Invited Investor files a subscription application for a smaller number of the Mortgage Bonds of the [●] series than the number defined in the Invitation or if the Investor pays for a smaller number of the Mortgage Bonds of the [●] series than the number defined in the Invitation, then

the Investor will be allotted no Mortgage Bonds of the [●] series. If the Investor pays for

a smaller number of the Mortgage Bonds than the number defined in the Invitation, the Service Underwriter shall be authorized to sell to the Investor the number of the Mortgage Bonds of the [●] series corresponding to the payment made. If the Invited Investor files a subscription application for a larger number of the Mortgage Bonds of the [●] series than the number indicated in the Invitation, then such a subscription application shall be considered as one for the number of the Mortgage Bonds indicated in the Invitation.

In order to file a subscription application, the Invited Investor should fill out the subscription form containing, among others, the following information:

- Investor's details:
 - first name and last name of the natural person/name of the legal person/name of the organizational unit that does not have legal personality;
 - address of residence/registered office and address, mail address;
 - the PESEL number and personal identification card number, or the passport number in the case of natural persons / the REGON number or another identification number in the case of domestic legal persons/organizational units that do not have legal personality, or the register number appropriate for the country of origin in the case of
 - foreign legal persons;
 - the foreign-exchange status (information on whether the Investor is or is not a resident, in the meaning of the Foreign-Exchange Law);
- The number of the Mortgage Bonds of the [●] series for which the subscription application is filed;
- The sales price of one Mortgage Bond of the [●] series;
- The total amount to be paid for the Mortgage Bonds of the [●] series;
- Information on the account to which the paid sums should possibly be returned;
- The number of the securities account and the name of the investment company keeping that account, where all the purchased Mortgage Bonds of the [●] series are to be deposited;
- The Investor's representation that it has become familiar with the contents of the Prospectus and the Supplement, to include the risk factors described therein, and that it accepts the terms of purchase of the Mortgage Bonds of the [●] series;
- The date and signature of the person filing the subscription application.

The persons filing the subscription application on behalf of a legal person or an organizational unit that has no legal personality should, at the latest at the time of the filing of the application, submit valid documents confirming the authorization of the person filing the application to represent the Investor and documents that according to the applicable laws are required for effective purchase of the Mortgage Bonds of the [●] series.

The specimen of the subscription application for the Mortgage Bonds of the [●] series to be purchased from the Service Underwriter will be made available on dates when and in locations where the subscription applications for the Mortgage Bonds of the [●] series will be collected.

Any and all the consequences of improper filling of the subscription application form will be borne by the person filing the application.

It will also be possible to file the subscription applications by fax, telephone, or on the Internet, provided that the Invited Investor has appropriate agreements with the brokerage that collects the subscription applications for the Mortgage Bonds of the [●] series.

A subscription application for the Mortgage Bonds of the [●] series is irrevocable and unconditional and cannot contain any reservations. However, the Invited Investors who have filed subscription applications must keep in mind that, pursuant to art. 51a of the Act on Public Offerings, if an annex to the Prospectus is published after the commencement of the subscription or the sales, the person who has filed a subscription application prior to the time when the annex was made available may avoid the legal consequences of the filed subscription application. In order to avoid the legal consequences of a subscription application, a written representation must be submitted in one of the customer service points of the investment company offering the specific securities, within 2 business days of the day on which the annex was made available. The right to avoid the legal consequences of a filed subscription application does not apply in cases where the annex is made available in connection with errors in the contents of the prospectus of which the issuer or the introducing entity became aware after the securities were allocated or with factors that took place or of which the issuer or the introducing entity became aware after the securities were allocated. The issuer or the introducing entity can allocate the securities not sooner than after expiry of the time limit for avoidance of the investor from the legal consequences of the subscription application filed, or

Due to the fact that payment for the Mortgage Bonds of the [●] series will be effected by way of exchange of settlement instructions between the entity keeping the securities account of the Invited Investor and the entity representing the Service Underwriter (in accordance with the delivery versus payment principle), indication by the Invited Investor of the full number of the securities account and the exact name of the brokerage/bank keeping that account for the purpose of settlement of the payment and settlement of the Mortgage Bonds shall be obligatory and a failure to do so or provision of incomplete or inaccurate information will lead to invalidity of the subscription.

Acting through an agent.

The Invited Investors are authorized to purchase the Mortgage Bonds through properly authorized agents. The method of acting through an agent depends on the regulations of the brokerage where the Invited Investors intend to file their subscription applications for the Mortgage Bonds of the [●] series. The number of authorizations is not limited.

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Specimen of the Final Terms of Issue of the Mortgage Bonds

5.1.3. Description of the possibility of reduction of the subscriptions and method of returning the overpaid amounts to the investors

Original text:

The Mortgage Bonds of the [●] series will be allotted to the Invited Investors by the Service Underwriter in numbers corresponding to the subscription applications filed, with the following reservations:

- If the Invited Investor files a subscription application for a smaller number of the Mortgage Bonds of the [●] series than the number defined in the Invitation mentioned in Chapter XVII (1.1.3) (B and C) of the Prospectus, or if the Investor pays for a smaller number of the Mortgage Bonds of the [●] series than the number defined in the Invitation, then the Service Underwriter will not sell any Mortgage Bonds of the [●] series to that Investor. If the Invited Investor pays for a smaller number of the Mortgage Bonds than the number defined in the Invitation, then the Service Underwriter will have the right to sell to such an Investor the number of the Mortgage Bonds of the [●] series that corresponds to the payment made;
- If the Invited Investor files a subscription application for a larger number of the Mortgage Bonds of the [●] series than the number indicated in the Invitation, then such a subscription application shall be considered as one for the number of the Mortgage Bonds of the [●] series indicated in the Invitation.

If the Invited Investor who purchases the Mortgage Bonds of the [●] series from the Service Underwriter makes a payment of a sum that is larger than the sum determined according to the principles defined in the present Supplement, the overpaid sum will be returned by entity with which the Investor filed the subscription application to the account indicated by the Investor in the subscription application form within three business days of the date of allocation of the Mortgage Bonds of the [●] series.

New text:

The Mortgage Bonds of the [●] series will be allotted to the Invited Investors by the Service Underwriter in numbers corresponding to the subscription applications filed, with the following reservations:

- If the Invited Investor files a subscription application for a smaller number of the Mortgage Bonds of the [●] series than the number defined in the Invitation mentioned in Chapter XVII (1.1.3) (B and C) of the Prospectus, or if the Investor pays for a smaller number of the Mortgage Bonds of the [●] series than the number defined in the Invitation, then the Service Underwriter will not sell any Mortgage Bonds of the [●] series to that Investor. If the Invited Investor pays for a smaller number of the Mortgage Bonds than the number defined in the Invitation, then the Service Underwriter will have the right to sell to such an Investor the number of the Mortgage Bonds of the [●] series that corresponds to the payment made;
- If the Invited Investor files a subscription application for a larger number of the Mortgage Bonds of the [●] series than the number indicated in the Invitation, then such a subscription application shall be considered as one for the number of the Mortgage Bonds of the [●] series indicated in the Invitation.

If the Invited Investor who purchases the Mortgage Bonds of the [●] series from the Service Underwriter makes a payment of a sum that is larger than the sum determined according to the principles defined in the present Supplement, the overpaid sum will be returned by entity with which the Investor filed the subscription application to the account indicated by the Investor in the subscription application form within three business days of the date of allocation of the Mortgage Bonds of the [●] series, or

The Mortgage Bonds of the [●] series will be allotted to the Invited Investors by the Service Underwriter in numbers corresponding to the subscription applications filed.

Due to the fact that payment for the Mortgage Bonds of the [●] series will be effected by way of exchange of settlement instructions between the entity keeping the securities account of the Invited Investor and the entity representing the Service Underwriter (in accordance with the delivery versus payment principle), in order to pay for the Mortgage Bonds covered by the subscription application, the Invited Investor will be required to issue a settlement instruction, by the time limit and with the parameters indicated in the Invitation received. The issue of a settlement instruction of different parameters and by a different time limit may result in non-payment for the submitted subscription application by the required time limit and, consequently, in failure to allot the Mortgage Bonds to the Invited Investor.

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Specimen of the Final Terms of Issue of the Mortgage Bonds

5.1.5. Method and time limits for making payments and delivery of the Mortgage Bonds in let.

A. Payments for the Mortgage Bonds purchased by the Invited Investors from the Service Underwriter

Original text:

Payment for the Mortgage Bonds of the [●] series purchased by the Invited Investors from the Service Underwriter should be made in the full amount and in such a way that at the latest on [●] until [●] the payment is credited in the account of the brokerage that receives the subscription applications for the Mortgage Bonds of the [●] series.

Payment in the full amount is defined as the amount equal to the product of the number of the Mortgage Bonds of the [●] series covered by the subscription application and the Issue Price of one Mortgage Bond of the [●] series.

Information on the account number to which the payment for the Mortgage Bonds of the [●] series should be made will be made available in the locations where and on the dates when the subscription applications for the Mortgage Bonds of the [●] series will be collected and will also be provided to the Invited Investors in the invitation to file subscription applications.

New text:

Payment for the Mortgage Bonds of the [●] series purchased by the Invited Investors from the Service Underwriter should be made in the full amount and in such a way that at the latest on [●] until [●] the payment is credited in the account of the brokerage that receives the subscription applications for the Mortgage Bonds of the [●] series.

Payment in the full amount is defined as the amount equal to the product of the number of the Mortgage Bonds of the [●] series covered by the subscription application and the Sales Price of one Mortgage Bond of the [●] series.

Information on the account number to which the payment for the Mortgage Bonds of the [●] series should be made will be made available in the locations where and on the dates when the subscription applications for the Mortgage Bonds of the [●] series will be collected and will also be provided to the Invited Investors in the invitation to file subscription applications, or Payments for the Mortgage Bonds of the [●] series purchased by the Invited Investors from the Service Underwriter must be made in the full amount.

Payment in the full amount is defined as the amount equal to the product of the number of the Mortgage Bonds of the [●] series covered by the subscription application and the Sales Price of one Mortgage Bond of the [●] series.

Due to the fact that payment for the Mortgage Bonds of the [●] series will be effected by way of exchange of settlement instructions between the entity keeping the securities account of the Invited Investor and the entity representing the Service Underwriter (in accordance with the delivery versus payment principle), in order to pay for the Mortgage Bonds covered by the subscription application, the Invited Investor will be required to issue a settlement instruction, by the time limit and with the parameters defined in the Invitation received. Information on the method of payment for the Mortgage Bonds purchased by the Invited Investors from the Service Underwriter will also be made available in the registered office of the Offering Entity, at ul. Woloska 18, Warsaw.

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Specimen of the Final Terms of Issue of the Mortgage Bonds

5.1.5. Method and time limits for making payments and delivery of the Mortgage Bonds

B. Delivery of the Mortgage Bonds

Original text:

The Investor filing a subscription application for the Mortgage Bonds of the [●] series indicates in the application form the number of the securities account and the name of the entity keeping the account where all the Mortgage Bonds of the [●] series purchased by the Investor are to be deposited.

Before the commencement of the offering of the Mortgage Bonds of the [●] series, the Issuer will conclude with the KDPW a contract for registration of the Mortgage Bonds of the [●] series in the KDPW. After the Mortgage Bonds of the [●] series have been allotted, they will be deposited without delay in the securities accounts of their buyers.

New text:

The Investor filing a subscription application for the Mortgage Bonds of the [●] series indicates in the application form the number of the securities account and the name of the entity keeping the account where all the Mortgage Bonds of the [●] series purchased by the Investor are to be deposited.

The Issuer will file an application with the National Depository of Securities (KDPW) for concluding a contract for registration of the Mortgage Bonds in the KDPW. After the Mortgage Bonds of a given series have been allotted, the Issuer and the Service Underwriter will take appropriate steps aimed at depositing the Mortgage Bonds without delay in the securities accounts of the Investors to whom they have been allotted, or

The Issuer will file an application with the National Depository of Securities (KDPW) for concluding a contract for registration of the Mortgage Bonds in the KDPW. After the Mortgage Bonds of a given series have been allotted, the Issuer and the Service Underwriter will take appropriate steps aimed at depositing the Mortgage Bonds without delay in the securities accounts of the Investors to whom they have been allotted.

Due to the fact that the registration of the Mortgage Bonds of the [●] series in the KDPW will take place as a result of accounting and settlement by the KDPW of the transactions performed as a part of the Offering, which leads to recording the Mortgage Bonds in the recording accounts of the members with simultaneous charging of their cash accounts, i.e. in accordance with the procedure defined in sec. 11 of the Detailed Principles of Operation of the National Depository of Securities (Appendix no. 1 to the resolution of the Management Board of the National Depository of Securities no. 176/09 of 15 May 2009 (as amended)), the registration shall take place after the KDPW is provided with a settlement instruction by the entity keeping the securities account of the Invited Investor that is compliant with the settlement instruction of the entity representing the Service Underwriter and after the Mortgage Bonds of a given series have been paid for. In such a case, indication by the Invited Investor of the full number of the securities account and the exact name of the brokerage/bank keeping that account for the purpose of settlement of the payment and settlement of the Mortgage Bonds shall be obligatory.

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Specimen of the Final Terms of Issue of the Mortgage Bonds

6.1.2. Term of validity of the offering and description of the subscription application submission procedure

B. Rules for submission of subscription applications for the Mortgage Bonds

Original text:

Subscriptions for the Mortgage Bonds as a part of the [●] series will be collected from the Investors who have received Invitations in accordance with the rules described in Chapter XVII (2.1.3) (B and C) of the Prospectus.

The number of the Mortgage Bonds of the [●] series, which the Invited Investor will be authorized to subscribe for, should be equal to the number of the Mortgage Bonds of the [●] series indicated in the Invitation sent to the Invited Investor.

If the Invited Investor files a subscription application for a smaller number of the Mortgage Bonds of the [●] series than the number defined in the Invitation or if the Investor pays for a smaller number of the Mortgage Bonds of the [●] series than the number defined in the Invitation, then the Investor will not be allotted any Mortgage Bonds of the [●] series. If the Invited Investor pays for a smaller number of the Mortgage Bonds than the number defined in the Invitation, then the Issuer will have the right to allot to

such an Investor the number of the Mortgage Bonds of the [●] series that corresponds to the payment made. If the Invited Investor files a subscription application for a larger number of the Mortgage Bonds of the [●] series than the number indicated in the Invitation, then such a subscription application shall be considered as one for the number of the Mortgage Bonds indicated in the Invitation.

In order to file a subscription application, the Invited Investor should fill out the subscription form containing, among others, the following information:

- Investor's details:
 - first name and last name of the natural person/name of the legal person/name of the organizational unit that does not have legal personality;
 - address of residence/registered office and address, mail address;
 - the PESEL number and personal identification card number, or the passport number in the case of natural persons / the REGON number or another identification number in the case of domestic legal persons/organizational units that do not have legal personality, or the register number appropriate for the country of origin in the case of foreign legal persons;
 - the foreign-exchange status (information on whether the Investor is or is not a resident, in the meaning of the Foreign-Exchange Law);
- The number of the Mortgage Bonds of the [●] series for which the subscription application is filed;
- The Issue Price of one Mortgage Bond of the [●] series;
- The total amount to be paid for the Mortgage Bonds of the [●] series;
- Information on the account to which the paid sums should possibly be returned;
- The number of the securities account and the name of the investment company keeping that account, where all the allotted Mortgage Bonds of the [●] series are to be deposited;
- The Investor's representation that it has become familiar with the contents of the Prospectus and the Supplement, to include the risk factors described therein, and that it accepts the terms of taking up of the Mortgage Bonds of the [●] series;
- The date and signature of the person filing the subscription application.

The persons filing the subscription application on behalf of a legal person or an organizational unit that has no legal personality should, at the latest at the time of the filing of the application, submit valid documents confirming the authorization of the person filing the application to represent the Investor and documents that according to the applicable laws are required for effective purchase of the Mortgage Bonds of the [●] series.

The specimen of the subscription application for the Mortgage Bonds of the [●] series will be made available on dates when and in locations where the subscription applications for the Mortgage Bonds of the [●] series will be collected.

Any and all the consequences of improper filling of the subscription application form will be borne by the person filing the application.

It will also be possible to file the subscription applications by fax, telephone, or on the Internet, provided that the Invited Investor has appropriate agreements with the brokerage that collects the subscription applications for the Mortgage Bonds of the [●] series.

A subscription application for the Mortgage Bonds of the [●] series is irrevocable and unconditional and cannot contain any reservations. However, the Invited Investors who have filed subscription applications must keep in mind that, pursuant to art. 51a of the Act on Public Offerings, if an annex to the Prospectus is published after the commencement of the subscription or the sales, the person who has filed a subscription application prior to the time when the annex was made available may avoid the legal consequences of the filed subscription application. In order to avoid the legal consequences of a subscription application, a written representation must be submitted in one of the customer service points of the investment company offering the specific securities, within 2 business days of the day on which the annex was made available. The right to avoid the legal consequences of a filed subscription application does not apply in cases where the annex is made available in connection with errors in the contents of the prospectus of which the issuer or the introducing entity became aware after the securities were allocated or with factors that took place or of which the issuer or the introducing entity became aware after the securities were allocated. The issuer or the introducing entity can allocate the securities not sooner than after expiry of the time limit for avoidance of the investor from the legal consequences of the subscription application filed.

Acting through an agent.

The Invited Investors are authorized to purchase the Mortgage Bonds through properly authorized agents.

The method of acting through an agent depends on the regulations of the brokerage where the Invited Investors intend to file their subscription applications for the Mortgage Bonds of the [●] series.

The number of authorizations is not limited.

New text:

Subscriptions for the Mortgage Bonds as a part of the [●] series will be collected from the Investors who have received Invitations in accordance with the rules described in Chapter XVII (2.1.3) (B and C) of the Prospectus.

The number of the Mortgage Bonds of the [●] series, which the Invited Investor will be authorized to subscribe for, should be equal to the number of the Mortgage Bonds of the [●] series indicated in the Invitation sent to the Invited Investor.

If the Invited Investor files a subscription application for a smaller number of the Mortgage Bonds of the [●] series than the number defined in the Invitation or if the Investor pays for a smaller number of the Mortgage Bonds of the [●] series than the number defined in the Invitation, then the Investor will be allotted no Mortgage Bonds of the [●] series. If the Investor pays for a smaller number of the Mortgage Bonds than the number defined in the Invitation, then the Issuer will have the right to allot to such an

Investor the number of the Mortgage Bonds of the [●] series that corresponds to the payment made. If the Invited Investor files a subscription application for a larger number of the Mortgage Bonds of the [●] series than the number indicated in the Invitation, then such a subscription application shall be considered as one for the number of the Mortgage Bonds of the [●] series indicated in the Invitation.

In order to file a subscription application, the Invited Investor should fill out the subscription form containing, among others, the following information:

- Investor's details:
 - first name and last name of the natural person/name of the legal person/name of the organizational unit that does not have legal personality;
 - address of residence/registered office and address, mail address;
 - the PESEL number and personal identification card number, or the passport number in the case of natural persons / the REGON number or another identification number in the case of domestic legal persons/organizational units that do not have legal personality, or the register number appropriate for the country of origin in the case of foreign legal persons;
 - the foreign-exchange status (information on whether the Investor is or is not a resident, in the meaning of the Foreign-Exchange Law);
- The number of the Mortgage Bonds of the [●] series for which the subscription application is filed;
- The Issue Price of one Mortgage Bond of the [●] series;
- The total amount to be paid for the Mortgage Bonds of the [●] series;
- Information on the account to which the paid sums should possibly be returned;
- The number of the securities account and the name of the investment company keeping that account, where all the allotted Mortgage Bonds of the [●] series are to be deposited;
- The Investor's representation that it has become familiar with the contents of the Prospectus and the Supplement, to include the risk factors described therein, and that it accepts the terms of taking up of the Mortgage Bonds of the [●] series;
- The date and signature of the person filing the subscription application.

The persons filing the subscription application on behalf of a legal person or an organizational unit that has no legal personality should, at the latest at the time of the filing of the application, submit valid documents confirming the authorization of the person filing the application to represent the Investor and documents that according to the applicable laws are required for effective purchase of the Mortgage Bonds of the [●] series.

The specimen of the subscription application for the Mortgage Bonds of the [●] series will be made available on dates when and in locations where the subscription applications for the Mortgage Bonds of the [●] series will be collected.

Any and all the consequences of improper filling of the subscription application form will be borne by the person filing the application.

It will also be possible to file the subscription applications by fax, telephone, or on the Internet, provided that the Invited Investor has appropriate agreements with the brokerage that collects the subscription applications for the Mortgage Bonds of the [●] series.

A subscription application for the Mortgage Bonds of the [●] series is irrevocable and unconditional and cannot contain any reservations. However, the Invited Investors who have filed subscription applications must keep in mind that, pursuant to art. 51a of the Act on Public Offerings, if an annex to the Prospectus is published after the commencement of the subscription or the sales, the person who has filed a subscription application prior to the time when the annex was made available may avoid the legal consequences of the filed subscription application. In order to avoid the legal consequences of a subscription application, a written representation must be submitted in one of the customer service points of the investment company offering the specific securities, within 2 business days of the day on which the annex was made available. The right to avoid the legal consequences of a filed subscription application does not apply in cases where the annex is made available in connection with errors in the contents of the prospectus of which the issuer or the introducing entity became aware after the securities were allocated or with factors that took place or of which the issuer or the introducing entity became aware after the securities were allocated. The issuer or the introducing entity can allocate the securities not sooner than after expiry of the time limit for avoidance of the investor from the legal consequences of the subscription application filed, or

Due to the fact that payment for the Mortgage Bonds of the [●] series will be effected by way of exchange of settlement instructions between the entity keeping the securities account of the Invited Investor and the entity representing the Issuer (in accordance with the delivery versus payment principle), indication by the Invited Investor of the full number of the securities account and the exact name of the brokerage/bank keeping that account for the purpose of settlement of the payment and settlement of the Mortgage Bonds shall be obligatory and a failure to do so or provision of incomplete or inaccurate information will lead to invalidity of the subscription.

Acting through an agent.

The Invited Investors are authorized to purchase the Mortgage Bonds through properly authorized agents.

The method of acting through an agent depends on the regulations of the brokerage where the Invited Investors intend to file their subscription applications for the Mortgage Bonds of the [●] series.

The number of authorizations is not limited.

Specimen of the Final Terms of Issue of the Mortgage Bonds

6.1.3. Description of the possibility of reduction of the subscriptions and method of returning the overpaid amounts to the investors

Original text:

The Mortgage Bonds of the [●] series will be allotted to the Invited Investors by the Issuer in numbers corresponding to the subscription applications filed, with the following reservations:

- If the Invited Investor files a subscription application for a smaller number of the Mortgage Bonds of the [●] series than the number defined in the Invitation mentioned in Chapter XVII (2.1.3) (B and C) of the Prospectus, or if the Investor pays for a smaller number of the Mortgage Bonds of the [●] series than the number defined in the Invitation, then the Issuer will not allot any Mortgage Bonds of the [●] series to that Investor. If the Invited Investor pays for a smaller number of the Mortgage Bonds than the number defined in the Invitation, then the Issuer will have the right to allot to such an Investor the number of the Mortgage Bonds of the [●] series that corresponds to the payment made;
- If the Invited Investor files a subscription application for a larger number of the Mortgage Bonds of the [●] series than the number indicated in the Invitation, then such a subscription application shall be considered as one for the number of the Mortgage Bonds of the [●] series indicated in the Invitation.

If the Invited Investor makes a payment of a sum that is larger than the sum determined according to the principles defined in the present Supplement, the overpaid sum will be returned by entity with which the Investor filed the subscription application to the account indicated by the Investor in the subscription application form within three business days of the date of allocation of the Mortgage Bonds of the [●] series.

New text:

The Mortgage Bonds of the [●] series will be allotted to the Invited Investors by the Issuer in numbers corresponding to the subscription applications filed, with the following reservations:

- If the Invited Investor files a subscription application for a smaller number of the Mortgage Bonds of the [●] series than the number defined in the Invitation mentioned in Chapter XVII (2.1.3) (B and C) of the Prospectus, or if the Investor pays for a smaller number of the Mortgage Bonds of the [●] series than the number defined in the Invitation, then the Issuer will not allot any Mortgage Bonds of the [●] series to that Investor. If the Invited Investor pays for a smaller number of the Mortgage Bonds than the number defined in the Invitation, then the Issuer will have the right to allot to such an Investor the number of the Mortgage Bonds of the [●] series that corresponds to the payment made;
- If the Invited Investor files a subscription application for a larger number of the Mortgage Bonds of the [●] series than the number indicated in the Invitation, then such a subscription application shall be considered as one for the number of the Mortgage Bonds of the [●] series indicated in the Invitation.

If the Invited Investor makes a payment of a sum that is larger than the sum determined according to the principles defined in the present Supplement, the overpaid sum will be returned by entity with which the Investor filed the subscription application to the account indicated by the Investor in the subscription application form within three business days of the date of allocation of the Mortgage Bonds of the [●] series, or

The Mortgage Bonds of the [●] series will be allotted to the Invited Investors by the Issuer in numbers corresponding to the subscription applications filed.

Due to the fact that payment for the Mortgage Bonds of the [●] series will be effected by way of exchange of settlement instructions between the entity keeping the securities account of the Invited Investor and the entity representing the Issuer (in accordance with the delivery versus payment principle), in order to pay for the Mortgage Bonds covered by the subscription application, the Invited Investor will be required to issue a settlement instruction, by the time limit and with the parameters defined in the Invitation received. The issue of a settlement instruction of different parameters and by a different time limit may result in non-payment for the submitted subscription application by the required time limit and, consequently, in failure to allot the Mortgage Bonds to the Invited Investor.

Specimen of the Final Terms of Issue of the Mortgage Bonds

6.1.5. Method and time limits for making payments and delivery of the Mortgage Bonds

A. Payments for the Mortgage Bonds purchased by the Invited Investors

Original text:

Payment for the Mortgage Bonds of the [●] series covered by the subscription applications filed by the Invited Investors should be made in the full amount and in such a way that at the latest on [●] until [●] the payment is credited in the account of the brokerage that collected the subscription applications for the Mortgage Bonds of the [●] series.

Payment in the full amount is defined as the amount equal to the product of the number of the Mortgage Bonds of the [●] series covered by the subscription application and the Issue Price of one Mortgage Bond of the [●] series.

Information on the account number to which the payment for the Mortgage Bonds of the [●] series covered by the subscription applications filed by the Investors should be made will be made available in the locations where and on the dates when the subscription applications for the Mortgage Bonds of the [●] series will be collected and will also be provided to the Investors in the invitation to file subscription applications.

New text:

Payment for the Mortgage Bonds of the [●] series covered by the subscription applications filed by the Invited Investors should be made in the full amount and in such a way that at the latest on [●] until [●] the payment is credited in the account of the brokerage that collected the subscription applications for the Mortgage Bonds of the [●] series.

Payment in the full amount is defined as the amount equal to the product of the number of the Mortgage Bonds of the [●] series covered by the subscription application and the Issue Price of one Mortgage Bond of the [●] series.

Information on the account number to which the payment for the Mortgage Bonds of the [●] series covered by the subscription applications filed by the Investors should be made will be made available in the locations where and on the dates when the subscription applications for the Mortgage Bonds of the [●] series will be collected and will also be provided to the Investors in the invitation to file subscription applications, or

Payment for the Mortgage Bonds of the [●] covered by the subscription applications filed by the Invited Investors should be made in the full amount. Payment in the full amount is defined as the amount equal to the product of the number of the Mortgage Bonds of the [●] series covered by the subscription application and the Issue Price of one Mortgage Bond of the [●] series.

Due to the fact that payment for the Mortgage Bonds of the [●] series will be effected by way of exchange of settlement instructions between the entity keeping the securities account of the Invited Investor and the entity representing the Issuer (in accordance with the delivery versus payment principle), in order to pay for the Mortgage Bonds covered by the subscription application, the Invited Investor will be required to issue a settlement instruction, by the time limit and with the parameters defined in the Invitation received.

Information on the method of payment for the Mortgage Bonds covered by the subscription applications filed by the Invited Investors will also be made available in the registered office of the Offering Entity, at ul. Wołoska 18, Warsaw.

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Specimen of the Final Terms of Issue of the Mortgage Bonds

6.1.5. Method and time limits for making payments and delivery of the Mortgage Bonds

B. Delivery of the Mortgage Bonds

Second paragraph

Original text:

Payment for the Mortgage Bonds of the [●] series covered by the subscription applications filed by the Invited Investors should be made in the full amount and in such a way that at the latest on [●] until [●] the payment is credited in the account of the brokerage that collected the subscription applications for the Mortgage Bonds of the [●] series.

Payment in the full amount is defined as the amount equal to the product of the number of the Mortgage Bonds of the [●] series covered by the subscription application and the Issue Price of one Mortgage Bond of the [●] series.

Information on the account number to which the payment for the Mortgage Bonds of the [●] series covered by the subscription applications filed by the Investors should be made will be made available in the locations where and on the dates when the subscription applications for the Mortgage Bonds of the [●] series will be collected and will also be provided to the Investors in the invitation to file subscription applications.

New text:

The Investor filing a subscription application for the Mortgage Bonds indicates in the application form the number of the securities account and the name of the entity keeping the account where all the Mortgage Bonds of the [●] series allotted to the Investor are to be deposited.

The Issuer will file an application with the National Depository of Securities (KDPW) for concluding a contract for registration of the Mortgage Bonds in the KDPW. After the Mortgage Bonds of a given series have been allotted, the Issuer will take appropriate steps aimed at depositing the Mortgage Bonds without delay in the securities accounts of the Investors to whom they have been allotted, or

The Issuer will file an application with the National Depository of Securities (KDPW) for concluding a contract for registration of the Mortgage Bonds in the KDPW. After the Mortgage Bonds of a given series have been allotted, the Issuer will take appropriate steps aimed at depositing the Mortgage Bonds without delay in the securities accounts of the Investors to whom they have been allotted. Due to the fact that the registration of the Mortgage Bonds of the [●] series in the KDPW will take place as a result of accounting and settlement by the KDPW of the transactions performed as a part of the Offering, which leads to recording the Mortgage Bonds in the recording accounts of the members with simultaneous charging of their cash accounts, i.e. in accordance with the procedure defined in sec. 11 of the Detailed Principles of Operation of the National Depository of Securities (Appendix no. 1 to the resolution of the Management Board of the National Depository of Securities no. 176/09 of 15 May 2009 (as amended)), the registration shall take place after the KDPW is provided with a settlement instruction by the entity keeping the securities account of the Invited Investor that is compliant with the settlement instruction of the entity representing the Issuer and after the Mortgage Bonds of a given series have been paid for. In such a case, indication by the Invited Investor of the full number of the securities account and the exact name of the brokerage/bank keeping that account for the purpose of settlement of the payment and settlement of the Mortgage Bonds shall be obligatory.

On behalf of the Issuer

Agata Kwaśniak

Member of the Management Board

Krzysztof Puchalski

Member of the Management Board