

Annex No 15

approved by KNF decision on 19 November 2015, to the Basic Bearer Mortgage Bonds Issue Program Prospectus of the total nominal value of PLN 2 000 000 000 of Pekao Bank Hipoteczny S.A., approved by the Financial Supervision Authority on 24 August 2010

Due to the amendments to Pekao Bank Hipoteczny S.A.'s Articles of Association, registered on 02 November 2015 in the register of entrepreneurs kept by the District Court for the capital city of Warsaw in Warsaw XIII Commercial Division of the National Court Register and valid since 14 November 2015, the following amendments shall be introduced to the Issue Prospectus:

Prospectus

The following annexes shall be added in Chapter XXI after page 117: Issuer's General Shareholders Meeting Resolution of 16 June 2015 on amendments in the Articles of Association of Pekao Bank Hipoteczny S.A.:

**Resolution No 16/2015
of Ordinary General Shareholders Meeting of Pekao Bank Hipoteczny S.A.
on 16 June 2015
on amendments to the Articles of Association of Pekao Bank Hipoteczny S.A.**

On the basis of Article 430 of Commercial Companies Code and Paragraph 39 Section 2 item 5 of the Articles of Association of Pekao Bank Hipoteczny S.A., the Bank's General Meeting decides to amend the Bank's Articles of Association in the following manner:-----

§ 1

- 1) Title II of the Articles of Association shall have the following wording:-----
„II. The Bank's organization and management system”-----**
- 2) The following paragraphs 6a and 6b shall be added after Paragraph 6:-----**

„ §6a

1. The Bank’s management system shall be adapted to the scale and complexity of its operation.-----
2. The management system shall include in particular:-----
 - 1) risk management system.-----
 - 2) internal control system.-----

§6b

1. The purpose of the risk management system shall be the Bank’s activity risk identification, measurement or estimation and monitoring used for ensuring the correctness of the process of setting and implementing detailed objectives of the Bank’s activity.-----
2. The Management Board shall design, introduce and ensure operation of the risk management system.-----
3. The Supervisory Board shall supervise introduction of the risk management system and assess system adequacy and effectiveness.”-----

3) Paragraph 7 of the Articles of Association shall have the following wording:-----

„§ 7

1. Internal control system shall operate in the Bank, the purpose of which is supporting decision-making processes ensuring: -----
 - 1) efficiency and effectiveness of the Bank’s operation,-----
 - 2) financial reporting credibility,-----
 - 3) compliance of the Bank’s operations with the operating provisions of law, supervisory and internal regulations.-----
2. Internal control system shall include the areas specified in the Banking Law Act and consist of the following control types:-----
 - 1) line and functional control (Operating Management) performed by each employee in the scope of quality and correctness of the activities performed by him and additionally performed by his direct supervisor;-----
 - 2) risk management control performed by the Bank’s organization units not involved in business activity;-----

3) institutional control (Internal Audit) fully objectively and independently performed by a separate internal audit unit directly reporting to the President of the Management Board.”-----

4) Paragraph 8 of the Articles of Association shall have the following wording:----

„§8

1. The Bank’s bodies shall be involved in the internal control system.-----
2. The Management Board shall be responsible for designing, implementing and functioning of the internal control system adapted to the size and risk profile connected with the Bank’s activity.-----
3. The Supervisory Board shall supervise the internal control system and assess its adequacy and effectiveness.-----
4. The Supervisory Board’s competences shall include approving, upon the President of the Management Board’s request:-----
 - 1) policy, strategy and internal control procedures, developed in accordance with the Group’s internal audit standards,-----
 - 2) strategic (five-year) and operating (annual) internal audit plans and significant amendments of the plans, -----
 - 3) decisions on employing or dismissing the internal audit unit manager.”-----

5) Paragraph 9 of the Articles of Association shall have the following wording:----

„§9

Detailed objective, scope and rules of functioning of the internal control system shall be specified in the Bank’s separate internal regulation.”-----

6) Paragraph 24 of the Articles of Association shall have the following wording:---

„§ 24

1. The Management Board shall be appointed in a composition from three to five members. The number of the Management Board’s members shall be set by the Supervisory Board.-----

2. Members of the Management Board shall have competences to conduct the Bank's issues relating to:-----
 - a) knowledge (experience-related, trainings, professional titles or university degrees or acquired otherwise in the course of professional career),-----
 - b) experience (acquired in the course of performing specific functions or taking specific positions),-----
 - c) skills necessary to perform the assigned function.-----
3. Individual competences of individual members of the Management Board shall supplement each other in a manner ensuring adequate level of collegial management of the Bank.-----
4. The member of the Management Board shall provide a performance bond related to the assigned duties.-----
5. At least a half of the members of the Management Board, including the President of the Management Board, shall have Polish citizenship, permanent residence in Poland, speak the Polish language and have adequate experience, skills and knowledge of the Polish financial market necessary for managing a Bank.-----
6. Members of the Management Board shall be appointed and dismissed by the Supervisory Board. One member of the Management Board shall be appointed for the position of the President of the Management Board by the Supervisory Board and can appoint one or two members of the Management Board for the position of the Vice President. Appointing two members of the Management Board, including the President of the Management Board, requires the consent of the Financial Supervision Authority.-----
7. Members of the Management Board shall be appointed for three years. Notwithstanding the above provisions, the members of the Management Board can be dismissed at any time by the Supervisory Board. The members of the Management Board can be selected again.-----

8. Mandates of the members of the Management Board shall terminate upon convening the General Meeting approving the Bank's activity report and financial report for the last full business year of performing the functions by the members of the Management Board. Mandate of the member of the Management Board shall terminate also due to death, resignation or dismissal from the composition of the Management Board.-----
9. Should a supplementary or expanding selection be made in the term in office of the Management Board, the mandate of the newly appointed member of the Management Board shall expire together with the mandates of the other members of the Management Board.-----
10. The rules of remunerating the members of the Management Board, their remuneration amount, as well as other benefits related to performing the functions shall be agreed in secret ballot by ordinary majority of votes by the Chairman of the Supervisory Board, Vice-Chairman of the Supervisory Board and member of the Supervisory Board indicated by the Chairman of the Supervisory Board immediately after appointing the Management Board or one of its members. In the event of absence of the Chairman or Vice Chairman of the Supervisory Board, the Chairman or Vice Chairman of the Supervisory Board, respectively, shall indicate an adequate number of persons for maintaining a three-person quorum for participation in voting from among the other members of the Board. The above course shall be applied in the event of amending the remuneration of the members of the Management Board in the event of amending the remuneration rules of the Members of the Management Board, the amount of remuneration of the persons, as well as the other benefits related to the performed functions. The meeting convened for the purpose of introducing the above amendments shall be appointed by the Chairman of the Supervisory Board via registered letters."-----

7) Paragraph 25 Section 3 Item 4 of the Articles of Association shall have the following wording:-----

„Paragraph 25 Section 3 Item 4: The competences of the Management Board shall include in particular adopting the bank and mortgage real property valuation regulations. The regulations, as well as each amendment thereof, shall require approval of the Financial Supervision Authority.”

8) Paragraph 25 Section 3 Item 5 of the Articles of Association shall have the following wording:-----

„Paragraph 25 Section 3 Item 5: The competences of the Management Board shall include in particular adopting regulations in the scope of the Bank’s internal control system and the Bank’s organization regulations, specifying the Bank’s organization structure and the scope of operation of the Bank’s individual and organization units.”- -

9) Paragraph 26 Section 2 of the Articles of Association shall have the following wording:-----

„Paragraph 26 Section 2: the President of the Management Board shall directly supervise the organization unit performing internal audit in the Bank, mentioned in Paragraph 7 Section 2 Item 3, and shall be the person appointed for performing activities in the scope of Labor Law, within the meaning of Article 3(1) § 1 of Labor Code, subject to Paragraph 32 Section 2 Item 5.”-----

10) Paragraph 28 of the Articles of Association shall have the following wording: -----

„§ 28

1. The Supervisory Board shall be appointed in the composition of five to nine members.-----
2. The members of the Supervisory Board shall be competent to dully perform the obligations of supervising the Bank, relating to:-----
 - a) knowledge (gained through education, trainings, obtained professional titles or university degrees or acquired otherwise in the course of professional career),---

- b) experience (gained in the course of performing specific functions or taking specific positions),-----
- c) skills necessary for performing the assigned function.-----
- 3. Individual competences of individual members of the Supervisory Board shall supplement each other in a way to ensure the adequate level of collegial supervision over all the areas of the Bank's activity.-----
- 4. The member of the Supervisory Board shall provide performance bond for the assigned duties.-----
- 5. At least a half of the members of the Supervisory Board, including its Chairman, shall be Polish citizens, have permanent residence in Poland, speak the Polish language and have adequate experience and knowledge of the Polish financial market, necessary for supervising the Bank's activity.-----
- 6. At least two members of the Supervisory Board shall fulfill the requirements of independence.-----
- 7. A members of the Supervisory Board shall be deemed independent if he jointly fulfills the following conditions:-----
 - 1) has not been an employee of the Bank, its subsidiaries or the dominating company in the period of the last 2 years, -----
 - 2) in the period of the last 2 years, has not been functioning as the member of the Management Board or any other managerial function in the Bank or its subsidiaries or the dominating entity, irrespective of the legal form of the employment,-----
 - 3) in the period of the last 3 years, has not been the expert auditor, co-owner or employee of an entity that is currently or has been in the period of the last 3 years, providing services of an expert auditor for the Bank, its subsidiaries or the dominating company,-----
 - 4) is not the Bank's shareholder or is not employed by such a shareholder,-----

- 5) has not received any additional remuneration in a significant amount, apart from the remuneration due to the membership in the Supervisory Board and apart from the remuneration due to the employment contract, when employed in the Bank's subsidiaries or its dominating company, excluding the benefits as part of the retirement plan due to previous work in the Bank, its subsidiaries or the dominating company, if continuation of employment is not the condition for payment of such a benefit,-----
- 6) in the course of last year, has not maintained significant commercial relations with the Bank, its subsidiaries or the dominating entity, directly or as a co-owner, shareholder, director or high-rank employee of a body maintaining such relations,-----
- 7) is not the member of the Management Board in any other company, in which the member of the Management Board of the Bank is the member of the Supervisory Board and does not have any other significant affiliations with the members of the Bank's Management Board through participation in other companies or bodies,-----
- 8) in the period of the last three years, has not been the spouse, partner, cousin or relative of any member of the Bank's Management Board or the Bank's managerial position employee, -----
- 9) is not directly or indirectly affiliated with the Bank, members of the Management Board, members of the Supervisory Board, the Bank's significant shareholders or their affiliates.-----
8. The Supervisory Board shall appoint, from among its members, committees fulfilling the consulting and advising function and supporting the Supervisory Board in performing its control and supervisory duties. In particular, the Supervisory Board shall appoint the Audit Committee and the Supervisory Board Credit Committee. If necessary, the Supervisory Board can also appoint other Committees.-----

9. The Audit Committee shall be composed of three members, including two members fulfilling the independence criteria, mentioned in Section 7. In particular, the members of the Audit Committee with accounting or financial audit competences shall be independent. At least one of the independent members of the Supervisory Board, part of the Audit Committee, shall fulfill the additional independence criteria specified in Article 86 Section 5 of the Expert Auditors and their Self-Government, Entities Authorized to Audit Financial Reports and Public Supervision Act.-----
10. The Supervisory Board Committees shall operate on the basis of regulations adopted by the Supervisory Board.-----
11. The Supervisory Board shall be composed of:-----
 - 1) The Chairman of the Supervisory Board;-----
 - 2) The Vice-Chairman of the Supervisory Board;-----
 - 3) The other members of the Supervisory Board.-----
12. The members of the Supervisory Board shall be elected and dismissed by the General Meeting.-----
13. The members of the Supervisory Board shall be appointed for three years. Notwithstanding the above provision, the members of the Supervisory Board may be dismissed by the General Meeting at all times. The Members of the Supervisory Board can be re-elected.-----
14. Mandates of the members of the Supervisory Board shall terminate upon convening the General Meeting approving the Bank’s activity report and financial report for the last business year of fulfilling the function by the members of the Supervisory Board. Mandate of the member of the Supervisory Board shall terminate also as a result of his death, resignation or dismissal from the composition of the Supervisory Board.-----
15. Should a supplementary or expanding election be performed in the course of the term in office of the Supervisory Board, the mandate of the newly appointed member of the Supervisory Board shall terminate in line with the mandates of the other members of the Supervisory Board.”-----

11) Paragraph 32 of the Articles of Association shall have the following wording:-----

„§32

1. The Supervisory Board shall perform constant supervision over the Bank's activity.-----
2. The competences of the Supervisory Board shall include in particular:-----
 - 1) financial report audit – both in terms of compliance with books and documents, as well as the facts,-----
 - 2) the Management Board's bank activity report audit and the Management Board's applications for division of profit or covering losses, -----
 - 3) submitting to the General Meeting the annual written audit results report mentioned in Items 1-2,-----
 - 4) suspending individual or all the members of the Management Board in their activities for significant reasons, as well as delegating the members of the Supervisory Board, for the period of not more than three months, for temporary performance of the activities of the members of the Management Board, who were dismissed, resigned or cannot perform their functions for other reasons,-----
 - 5) concluding agreements with the members of the Management Board,-----
 - 6) adopting the Management Board's Regulations and other regulations within the competences of the Supervisory Board,-----
 - 7) expressing consent for purchasing and encumbering real property share in the Bank's real property,-----
 - 8) expressing consent for opening or closing a Branch or Office,-----
 - 9) expressing consent or refusing consent for selling shares, on the terms and conditions specified in Paragraph 17 Section 1-4,-----
 - 10) expressing opinion in matters requiring the Bank's loan decisions, if maximum amount of the Bank's exposure to one entity or entities affiliated by capital or organization exceeds or is exceeding PLN 12 000 000 (say: twelve million zlotys) or an equivalent of the amount expressed in convertible currencies,-----
 - 11) selection of the financial report expert auditor,

- 12) assessment of the intent to terminate agreement with the entity authorized to audit financial reports,-----
 - 13) approving long-term programs for the Bank's development and the Bank's annual financial plans,-----
 - 14) approving general principles of the Bank's managers variable remuneration policy principles and periodical reviews of the principles,-----
 - 15) regular assessment of the Bank's application of the Corporate Governance Principles for Supervised Institutions,-----
 - 16) submitting request to the Financial Supervision Authority for appointing a proxy and his deputy,-----
 - 17) considering other issues and requests submitted by the Management Board.-----
3. The Bank shall be represented by the Supervisory Board in agreements between the Bank and the members of the Management Board, as well as in disputes with them. The Bank can also be represented by proxies appointed by resolution of the General Meeting in agreements between the Bank and members of the Management Board, as well as disputes between them.-----
 4. For the purpose of fulfilling its obligations, the Supervisory Board may review each sphere of the Bank's activity, demand reports and explanations from the Management Board and the Bank's employees, audit the property, books and documents.-----
 5. The Supervisory Board may delegate its members to individual supervision in the scope of activities consisting in expressing opinions on behalf of the Supervisory Board on matters requiring the Bank's loan decisions, if the maximum amount of the Bank's loan exposure towards one entity or entities affiliated by capital or organization is between PLN 8 000 000 (say: eight million zlotys) and 12 000 000 (say: twelve million zlotys) or the equivalent of the amounts expressed in convertible currencies.-----
 6. The Members of the Supervisory Board, delegated to permanent individual supervision may receive separate remuneration, the amount of which shall be set by the General Meeting. The General Meeting may assign the authorization to the Supervisory Board.-----

7. The Members of the Supervisory Board mentioned in Section 5 shall not, without the Supervisory Board's consent, deal with the interests of the competition or participate as members of any bodies of competitive shareholding companies. The ban also includes participation in a competitive shareholding company in the case of the member of the Supervisory Board mentioned in Section 5, holding at least 10% of shares in it or the right to appoint at least one member of the Management Board."

12) Paragraph 34 of the Articles of Association shall have the following wording:-----

„§34

1. The General Meeting shall be convened via registered letter or courier, sent at least two weeks before the date of the General Meeting. The date of sending the letters shall be deemed the announcing date. Instead of a registered letter or a courier, a notification may be sent to a shareholder through electronic mail, if he has previously agreed to that in writing by providing the address, to which the notification should be sent. -----
2. The day, hour and venue of the General Meeting shall be specified in the notification and a detailed agenda of the meeting. In the event of an intended amendment of the Articles of Association, the operating provisions shall be cited and the content of the drafted amendments specified."-----

13) Section 3 shall be deleted in Paragraph 34 of the Articles of Association.-----

§ 2

The Resolution shall come into force following a consent granted by the Financial Supervision Authority for introducing the amendments in the Articles of Association, mentioned in Paragraph 34 Section 2, with reference to Article 31 Section 3 of the Banking Law Act, subject to the amendments of the Articles of Association, mentioned in Paragraph 1 herein, upon entering into the register of entrepreneurs of the National Court Register. -----

For Issuer

Tomasz Mozer

Agata Kwaśniak

President of the Management Board

Member of the Management Board