

**RESOLUTION No. ...**  
**OF THE EXTRAORDINARY GENERAL MEETING of Grupa LOTOS S.A.**  
**of December 22nd 2016**

**concerning: appointment of the Chairperson of the Extraordinary General Meeting**

Acting pursuant to Art. 409.1 of the Commercial Companies Code and Section 5 of the Rules of Procedure for the General Meeting, the General Meeting hereby appoints the Chairperson of the General Meeting.

Section 1

Mr/Ms ... is hereby appointed as the Chairperson of the Extraordinary General Meeting.

Section 2

This Resolution has been passed by secret ballot.

**RESOLUTION No. ...**  
**OF THE EXTRAORDINARY GENERAL MEETING of Grupa LOTOS S.A.**  
**of December 22nd 2016**

**concerning: rules of remuneration for members of the Management Board**

Acting pursuant to Art. 2.2.1, Art. 4, Art. 5, Art. 6, Art. 7, and Art. 8 of the *Act on Rules of Remunerating Persons Who Manage Certain Companies*, dated June 9th 2016 (Dz.U. of 2016, item 1202), the General Meeting of ..... (“Company”) hereby resolves as follows:

**Section 1**

1. A management contract shall be concluded with a Management Board Member for the period of such Member’s appointment (“Contract”). The Contract shall require the Member to provide management services personally.
2. The Contract shall be drawn up by the Supervisory Board, in accordance with the provisions of the *Act on Rules of Remunerating Persons Who Manage Certain Companies*, dated June 9th 2016 (“Act”) and in accordance with this Resolution.

**Section 2**

1. Total remuneration of a Member of the Company’s Management Board shall be composed of a fixed component in the form of a monthly base pay (“Fixed Remuneration”) and a variable component representing additional remuneration payable for the Company’s financial year (“Variable Remuneration”).
2. The amount of monthly Fixed Remuneration shall be determined by the Supervisory Board, with the proviso that:
  - a) Fixed Remuneration of the President of the Management Board shall range from ..... to ..... of the average remuneration in the business sector, net of bonuses paid from profit, in the fourth quarter of the previous year, as announced by the President of the Central Statistics Office of Poland;
  - b) Fixed Remuneration of other Management Board Members shall range from ..... to ..... of the average remuneration in the business sector, net of bonuses paid from profit, in the fourth quarter of the previous year, as announced by the President of the Central Statistics Office of Poland.
3. The General Meeting hereby authorises the Supervisory Board to define the amounts of Fixed Remuneration for individual Members of the Management Board in accordance with Section 2.2 above.

**Section 3**

1. Variable Remuneration shall depend on the progress of Management Objectives and shall not exceed .....% of Fixed Remuneration.
2. The following general set of Management Objectives shall apply:
  - a) .....

- b) .....
- c) .....

3. The following additional Management Objectives, to be achieved by June 30th 2017, shall also apply:

- a) Implementation of the rules of remuneration for members of management and supervisory boards in all Group companies, in accordance with the Act,
- b) Ensuring that supervisory boards of all Group companies are composed of members holding appropriate qualifications to sit on supervisory boards, confirmed by passing of the examination for candidates to supervisory boards, referred to in Art. 12.2 of the Act on Commercialisation and Privatisation of August 30th 1996, or holding relevant qualifications that exempt such board members from the requirement to take the examination, defined in Sections 5.2 and 5.3 of the Regulation of the Polish Council of Ministers on training and examination of candidates to supervisory boards of companies wholly-owned by the State Treasury of September 7th 2004, i.e. holding a PhD degree in economics or law, or being officially registered as a legal counsel, an attorney-at-law, a qualified auditor, or an investment adviser. The requirement to hold the qualifications specified above may be waived if the position of a member of the supervisory board of a Group company is held as part of the performance of duties of an employee of the parent with respect to subsidiaries and associates.

4. The General Meeting hereby authorises the Supervisory Board to define detailed Management Objectives and weights for such Objectives, as well as objective and measurable key performance indicators, subject to the following conditions:

- a) A given Management Board Member shall be entitled to receive Variable Remuneration provided that the General Meeting approves the Directors' Report on the Company's operations in, and the financial statements for, the previous financial year, and provided that the Management Board Member is granted discharge in respect of performance of their duties;
- b) Payment of a portion of Variable Remuneration may be deferred for a period not longer than 36 months; if conditions set out under the defined Management Objectives are fulfilled within a specified time frame, then the deferred portion of Variable Remuneration, in whole or in part, may be paid at the end of a settlement period;
- c) Variable Remuneration shall be calculated on a pro rata basis and its amount shall depend on the number of days on which the Management Board Members provide services in a given financial year.
- d) The Supervisory Board shall assess the fulfilment of conditions for payment of the Variable Remuneration to individual Management Board Members for whom Management Objectives were defined and who served on the Management Board during the financial year subject to the assessment, determining the amounts of the Variable Remuneration due to individual Management Board

Members, on the basis of financial statements audited by a qualified auditor and other documents, depending on what Objectives were defined.

5. If a Member's mandate expires after the end of the financial year for which delivery of the Management Objectives is assessed, the Member shall retain the right to Variable Remuneration on the terms defined in Sections 1–4 above. If a Member's mandate expires during a financial year, the Member shall retain the right to a portion of Variable Remuneration on the terms defined in Sections 1–4, provided that the Member's length of service during such financial year was more than ..... months.

#### **Section 4**

1. The Contract shall oblige Management Board Members to notify the Company of their intention to hold positions on governing bodies of other commercial companies or acquisition of shares in such companies. The Contract may also prohibit Management Board Members from holding positions on governing bodies of any other commercial company and may impose other restrictions on the Members' other activities outside the Company.
2. A Management Board Member may not receive remuneration for holding positions on governing bodies of subsidiaries included in the Company's group within the meaning of Art. 4.14 of the Competition and Consumer Protection Act of February 16th 2007.
3. The General Meeting hereby authorises the Supervisory Board to define the prohibitions and restrictions referred to in Sections 4.1–4.2 above, as well as obligations to report on compliance with such prohibitions and restrictions, and sanctions for failure to observe the prohibitions and restrictions.

#### **Section 5**

1. In the Contract, the Supervisory Board shall define what technical equipment and resources owned by the Company, necessary for Members to perform their functions, will be made available to the Management Board Members, as well as the terms on which such technical equipment and resources will be provided to the Members. The Supervisory Board may also define limits (or rules of defining such limits) on costs to be paid by the Company in connection with making such equipment and resources available to the Management Board Members and their use in the performance of the Members' professional duties.

#### **Section 6**

1. In the event of expiry of a Management Board Member's mandate, including in particular as a result of the Member's death, removal or resignation, the Contract shall terminate on the last day on which the Member holds the position under the Contract, with no further action required to be taken.
2. Each Party shall have the right to terminate the Contract with immediate effect in the event of material breach of the Contract by the other Party.

3. The Company shall have the right to terminate the Contract for reasons other than those specified in Section 6.2 against a notice of up to 3 (three) months, with the proviso that if during the notice period one of the events referred to in Section 6.1 occurs and triggers the termination due to the Member ceasing to hold the position, then the Contract shall terminate in accordance with the provision of Section 6.1.
4. If the Company terminates the Contract for reasons other than those specified in Section 6.2, the Management Board Member may receive a severance pay of up to 3x (three times) Fixed Remuneration, provided that the Member has held the position for at least 12 (twelve) months prior to the termination.
5. The Management Board Member shall not have the right to receive severance pay if:
  - a) the Contract is terminated or amended due to the change of the Management Board Member's position on the Management Board or their responsibilities;
  - b) the Contract is terminated or amended due to the Management Board Member's being appointed to the Management Board for another term of office;
  - c) the Management Board Member is appointed to the management board of a Group company; or
  - d) the Management Board Member has resigned.

### **Section 7**

1. The Supervisory Board may conclude with a Management Board Member a non-competition agreement binding on the Member after they no longer hold their position. Such agreement may be concluded only if the Member has served on the Management Board for at least 3 (three) months.
2. The non-competition agreement may not be concluded after termination of the management contract.
3. The non-competition period shall be no longer than 6 (six) months from the moment the Management Board Member ceases to hold the position.
4. If a Management Board Member fails to perform or improperly performs their obligations under the non-competition agreement, the Member shall pay the Company a contractual penalty equal to or higher than the compensation due for the entire non-competition period.
5. In the non-competition agreement, the Supervisory Board shall at least define the activities competitive to the Company's business, the amount of non-competition compensation, dates for payment of such compensation, the Member's notification obligations, and circumstances where the non-competition clause ceases to apply. The Supervisory Board may also include the Company's right to rescind the non-competition agreement or the parties' right to terminate the agreement.

### **Section 8**

This Resolution shall come into effect as of its date.

**RESOLUTION No. ...**  
**OF THE EXTRAORDINARY GENERAL MEETING of Grupa LOTOS S.A.**  
**of December 22nd 2016**

**concerning: rules of remuneration for members of the Supervisory Board**

Acting pursuant to Art. 2.2.1 and Art. 10 of the *Act on Rules of Remunerating Persons Who Manage Certain Companies*, dated June 9th 2016 (Dz.U. of 2016, item 1202), the General Meeting of ..... (“Company”) hereby resolves as follows:

**Section 1**

1. The monthly remuneration for the Supervisory Board members shall equal the average monthly remuneration in the enterprise sector (net of bonuses paid from profit) in the fourth quarter of the preceding year, as announced by the President of the Central Statistical Office (GUS), multiplied by the following factors:
  - a) - for the Chairman of the Supervisory Board – .....
  - b) - for the Deputy Chairman and the Secretary of the Supervisory Board - .....
  - c) - for other members of the Supervisory Board - .....
2. Supervisory Board members shall receive the remuneration referred to in Section 1.1 irrespective of the number of the Supervisory Board meetings held.
3. A Supervisory Board member shall not receive the remuneration for a month during which such member was absent from all duly convened meetings and the absence has not been excused. The Supervisory Board shall by way of a resolution decide whether a Supervisory Board Member’s absence from a meeting is excused or not excused.

**Section 2**

This Resolution shall come into effect as of its date.