

LSE - Current report (37/2012)

Telekomunikacja Polska S.A.

14 March 2012

Pursuant to art. 38, clause 1, item 3 of the Decree of the Minister of Finance of 19 February 2009 on current and periodic information disclosed by issuers of securities and conditions for recognising as equivalent information required by the laws of a non-member state (Journal of Laws of 2009 No. 33, item 259, with amendments) the Management Board of Telekomunikacja Polska S.A. ("TP S.A.", "Company") submits drafts of the resolutions to be adopted on the Ordinary Annual General Meeting to be held on April 12, 2012.

Draft

Resolution no [...] of Annual General Meeting of Telekomunikacja Polska S.A dated 12 April 2012 on nomination of the Chairman of the Annual General Meeting

§ 1

The General Meeting nominates Mr/s. as the Chairmen of the Annual General Meeting.

§ 2

The resolution comes into force on the day of its adoption.

Draft

Resolution no [...] of Annual General Meeting of Telekomunikacja Polska S.A dated 12 April 2012 on approval of the meeting agenda

§ 1

The General Meeting approves the meeting agenda outlined in the notification on summoning the Annual General Meeting with text as follows:

Agenda:

- 1) opening of the Assembly;
- 2) election of the Chairman;
- 3) statement that the Assembly is valid and capable to adopt resolutions;
- 4) adoption of the agenda;
- 5) election of the Scrutiny Commission;
- 6) review of:
 - a) the Management Board Report on the Company's operations and the Company Financial Statements for the financial year 2011,
 - b) the Management Board's motion concerning distribution of the Company's profit for the financial year 2011 and use of part of the financial means from the supplementary capital for distribution of the dividend,
 - c) the Supervisory Board Report on assessment of the Management Board Report on the Company's operations, the Financial Statements for the financial year 2011 and the Management Board motion on distribution of the Company's profit and use of part of the financial means from the supplementary capital for distribution of the dividend,
 - d) the Management Board Report on the operations of the Telekomunikacja Polska Group and the consolidated Financial Statements for the financial year 2011,

- e) the Supervisory Board Report on assessment of the Management Board Report on the operations of the Telekomunikacja Polska Group and the consolidated Financial Statements for the financial year 2011,
 - f) concise assessment of the Company's standing in 2011 made by the Supervisory Board and report on the Supervisory Board's activities in 2011.
- 7) Adoption of the following resolutions:
- a) approval of the Management Board Report on the Company's activity in the financial year 2011,
 - b) approval of the Company's Financial Statements for the financial year 2011,
 - c) distribution of the Company's profit for the financial year 2011 and use of part of the financial means from the supplementary capital for distribution of the dividend,
 - d) approval of the Management Board Report on the operations of Telekomunikacja Polska Group in the financial year 2011,
 - e) approval of the consolidated Financial Statements for the financial year 2011, and
 - f) granting approval of performance of their duties as members of the Company bodies in the financial year 2011.
- 8) Adoption of the resolution on repealing of the Resolution No. 6 of TP S.A. General Assembly dated 1 February 2005 on setting the binding number of Supervisory Board members
- 9) Adoption of the resolution on amendment of the Resolution No. 6 of TP S.A. General Assembly dated 21 September 2006 on rules of remuneration for the members of the Supervisory Board
- 10) Adoption of the resolution on amendment of the Company's Articles of Association.
- 11) Adoption of the resolution on the unified text of the Articles of Association.
- 12) Changes in the Supervisory Board's composition,
- 13) Closing of the Assembly.

§ 2

The resolution comes into force on the day of its adoption.

Draft

Resolution no [...] of Annual General Meeting of Telekomunikacja Polska S.A dated 12 April 2012 on nomination to Scrutiny Commission.

§ 1

The General Meeting nominates Mr/s. to the Scrutiny Commission.

§ 2

The resolution comes into force on the day of its adoption.

Draft

Resolution no [...] of Annual General Meeting of Telekomunikacja Polska S.A dated 12 April 2012 on approval of the Management Board's report on the Company's activity in 2011

On the basis of art. 53 of the Accountancy Act and art. 393 item 1 and art. 395 § 2 item 1 of the Commercial Companies Code and § 13 item 1 of TPSA Articles of Association, the following resolution is hereby adopted:

§ 1

The General Meeting approves the Management Board's report on the Company's activity in 2011.

§ 2

The resolution comes into force on the day of its adoption.

Draft

Resolution no [...] of Annual General Meeting of Telekomunikacja Polska S.A dated 12 April on approval of the Company's IFRS financial statements for 2011

On the basis of art. 53 clause 1 of the Accountancy Act and art. 393 item 1, art. 395 § 2 item 1 of the Commercial Companies Code and § 13 item 1 of TPSA Articles of Association, the following resolution is hereby adopted:

§ 1

The General Meeting approves the Company's IFRS financial statements for 2011 that include:

- 1) balance sheet as at 31.12.2011, with the balance sheet total of PLN 28 477 million (in words: PLN twenty eight billion four hundred seventy seven million),
- 2) profit and loss account for 2011 showing a net profit of PLN 1 951 million (in words: PLN one billion nine hundred fifty one million),
- 3) change in equity for 2011 showing a decrease in equity by PLN 261 million (in words: PLN two hundred sixty one million),
- 4) cash flow account showing an increase in net cash and cash equivalents by PLN 316 million (in words: PLN three hundred sixteen million),
- 5) notes to the financial statement.

§ 2

The resolution comes into force on the day of its adoption.

Draft

Resolution no [...] of Annual General Meeting of Telekomunikacja Polska S.A dated 12 April on distribution of the Company's profit for 2011 and use of part of the financial means from the supplementary capital for distribution of the dividend

On the basis of § 25 clause 4 of TP S.A. Articles of Association the following resolution is hereby adopted:

§ 1

The net profit for the year 2011 of PLN 1,950,610,420.57 (in words: one billion nine hundred and fifty million six hundred and ten thousand four hundred and twenty zlotys 57/100) shall be distributed in the following way:

- 1) for a dividend – PLN 1,911,598,212.16 (in words: one billion nine hundred and eleven million five hundred and ninety eight thousand two hundred and twenty zlotys 16/100),
- 2) to the reserve capital – PLN 39,012,208.41 (in words: thirty nine million twelve thousand two hundred and eight zlotys 41/100).

§ 2

The amount of dividend shall be PLN 1.50 (in words: one zloty and fifty groszy) for each entitled share. For this purpose, part of the funds from the supplementary capital in the amount of difference between the product of the amount of PLN 1.50 and number of shares entitled to dividend at the Dividend Day and the amount of part of the net profit for the year 2011, referred to in § 1 item 1 shall be allocated and distributed for the dividend.

§ 3

1. Persons being the Company's shareholders on 21.06.2012 (the Dividend Day) shall be entitled to the dividend.
2. The Company's own shares owned by the Company on the Dividend Day shall not be entitled to the dividend.

§ 4

The dividend shall be paid on 5.07.2012.

§ 5

On 2012 shares were entitled to the dividend and the total amount of the dividend for these shares would be PLN The final number of shares entitled to the dividend and the total amount of dividend on the Dividend Day the Company will make public in the current report.

§ 6

The resolution comes into force on the day of its adoption.

Draft

Resolution no [...] of Annual General Meeting of Telekomunikacja Polska S.A dated 12 April on approval of the Management Board report on the activity of Telekomunikacja Polska Group in the financial year 2011

On the basis of art. 63c clause 4 of the Accountancy Act and art. 395 § 5 of the Commercial Companies Code, the following resolution is hereby adopted:

§ 1

The General Meeting approves the Management Board report on the activity of Telekomunikacja Polska Group in the financial year 2011.

§ 2

The resolution comes into force on the day of its adoption.

Draft

Resolution no [...] of Annual General Meeting of Telekomunikacja Polska S.A dated 12 April on approval of the IFRS consolidated financial statements for 2011

On the basis of art. 63c clause 4 of the Accountancy Act and art. 395 § 5 of the Commercial Companies Code the following resolution is hereby adopted:

§ 1

The General Meeting approves the IFRS consolidated financial statements for 2011, that include:

- 1) consolidated balance sheet as at 31.12.2011, showing the balance sheet total of PLN 28 219 million (in words: PLN twenty eight billion two hundred nineteen million),
- 2) consolidated profit and loss account for 2011 showing consolidated a net profit after taxation of PLN 1 918 million (in words: PLN one billion nine hundred eighteen million), including a net profit attributable to equity holders of TP S.A. of PLN 1 917 million (in words: PLN one billion nine hundred seventeen million),

- 3) changes in total consolidated equity for 2011 showing a decrease in total consolidated equity by PLN 300 million (in words: PLN three hundred million), including a decrease of equity attributable to equity holders of TP S.A. by PLN 289 million (in words: PLN two hundred eighty nine million),
- 4) consolidated cash flow statement showing an increase in net cash and cash equivalents by PLN 413 million (in words: PLN four hundred thirteen million),
- 5) notes to consolidated financial statement.

§ 2

The resolution comes into force on the day of its adoption.

Draft

Resolution no.[...] of Annual General Meeting of Telekomunikacja Polska S.A dated 12 April 2012 on granting of approval of the performance by Mr/s. of his/er duties as a member of the Company's Supervisory Board in financial year 2011

Pursuant to article 393 item 1 and 395 § 2 item 3 of the Commercial Companies Code and § 13.3 of the Articles of Association of Telekomunikacja Polska SA (hereinafter referred to as the Company), the following is resolved:

§ 1

The approval of the performance by Mr/s. of his/er duties as a member of the Company's Supervisory Board in financial year 2011 is granted.

§ 2

The resolution enters into force on the day of its adoption.

Draft

Resolution no.[...] of Annual General Meeting of Telekomunikacja Polska S.A dated 12 April 2012 on granting of approval of the performance by Mr. of his duties as a member of the Company's Management Board in financial year 2011

Pursuant to article 393 item 1 and 395 § 2 item 3 of the Commercial Companies Code and § 13.3 of the Articles of Association of Telekomunikacja Polska SA (hereinafter referred to as the Company), the following is resolved:

§ 1

The approval of the performance by Mr. of his duties as a member of the Company's Management Board in financial year 2011 is granted.

§ 2

The resolution enters into force on the day of its adoption.

Draft

Resolution no.[...] of Annual General Meeting of Telekomunikacja Polska S.A dated 12 April 2012 on repealing of the Resolution No. 6 of TP S.A. General Assembly dated 1 February 2005 on setting the binding number of Supervisory Board members

Pursuant to § 19 point 2 of the Company's Articles of Association, the following resolution is hereby adopted:

§ 1

The General Assembly repeals the Resolution No. 6 of TP S.A. General Meeting dated 1 February 2005 on setting the binding number of Supervisory Board members.

§ 2

The resolution comes into force on the day of its adoption.

Draft

Resolution no.[...] of Annual General Meeting of Telekomunikacja Polska S.A dated 12 April 2012 on amendment of the Resolution No. 6 of TP S.A. General Assembly dated 21 September 2006 on rules of remuneration for the members of the Supervisory Board.

Pursuant to § 23 point 4 of the Company's Articles of Association, the following resolution is hereby adopted:

§ 1

In the resolution No. 6 of TP S.A. General Assembly dated 21 September 2006 on rules of remuneration for the members of the Supervisory Board, following amendments are implemented:

- 1) in § 3 points 2 and 3 shall be revoked,
- 2) § 7 shall have the following wording:

„§ 7

Members of the Supervisory Board being at the same time employees of France Telecom S.A. or any of its controlled affiliates (as defined by International Financial Reporting Standards) shall not have the right to any remuneration whether as members of the Supervisory Board or of any Supervisory Board's Committees. However, they shall be entitled to a reimbursement of expenses referred to in § 8.”

§ 2

The resolution comes into force on the day of its adoption.

Draft

Resolution no.[...] of Annual General Meeting of Telekomunikacja Polska S.A dated 12 April 2012 on amendments to the Articles of Association

Pursuant to art. 430 § 1 of the Commercial Companies Code, and § 13 item 5 of TP S.A. Articles of Association the following is hereby adopted:

§ 1

TP S.A. Articles of Association shall be amended in the following way:

- 1) § 6 clause 1 shall be amended to read as follows:

§ 6

1. The objects of the Company shall be as follows:
 - 1) Manufacture of communication equipment [PKD 26.30.Z];
 - 2) Construction of utility projects for electricity and telecommunications [PKD 42.22.Z];
 - 3) Electrical installation [PKD 43.21.Z];

- 4) Other retail sale in non-specialised stores [PKD 47.19.Z];
- 5) Retail sale of computers, peripheral units and software in specialised stores [PKD 47.41.Z];
- 6) Retail sale of telecommunications equipment in specialised stores [PKD 47.42.Z];
- 7) Retail sale of audio and video equipment in specialised stores [PKD 47.43.Z];
- 8) Retail sale via mail order houses or via Internet [PKD 47.91.Z];
- 9) Other retail sale not in stores, stalls or markets [PKD 47.99.Z];
- 10) Book publishing [PKD 58.11.Z];
- 11) Publishing of directories and mailing lists [PKD 58.12.Z]
- 12) Other publishing activities [PKD 58.19.Z];
- 13) Motion picture, video and television programme production activities [PKD 59.11.Z];
- 14) Motion picture, video and television programme post-production activities [PKD 59.12.Z];
- 15) Motion picture, video and television programme distribution activities [PKD 59.13.Z];
- 16) Sound recording and music publishing activities [PKD 59.20.Z];
- 17) Television programming and broadcasting activities [PKD 60.20.Z];
- 18) Wired telecommunications activities [PKD 61.10.Z];
- 19) Wireless telecommunications activities other than satellite telecommunications activities [PKD 61.20.Z];
- 20) Satellite telecommunications activities [PKD 61.30.Z];
- 21) Other telecommunications activities [PKD 61.90.Z];
- 22) Computer programming activities [PKD 62.01.Z];
- 23) Computer consultancy activities [PKD 62.02.Z];
- 24) Computer facilities management activities [PKD 62.03.Z];
- 25) Other information technology and computer service activities [PKD 62.09.Z];
- 26) Data processing, hosting and related activities [PKD 63.11.Z];
- 27) Other information service activities, not classified elsewhere [PKD 63.99.Z];
- 28) Financial leasing [PKD 64.91Z];
- 29) Activities of insurance agents and brokers [PKD 66.22.Z];
- 30) Accounting, bookkeeping and auditing activities; tax consultancy [PKD 69.20.Z];
- 31) Business and other management consultancy activities [PKD 70.22.Z];
- 32) Architectural activities [PKD 71.11.Z];
- 33) Engineering activities and related technical consultancy [PKD 71.12.Z];
- 34) Other research and experimental development on natural sciences and engineering [PKD 72.19.Z];
- 35) Agency in sale of time and space for advertisements in radio and television [PKD 73.12.A];
- 36) Agency in sale of space for advertisements in Internet [PKD 73.12.C];
- 37) Market research and public opinion polling [PKD 73.20.Z];
- 38) Other professional, scientific and technical activities not elsewhere classified [PKD 74.90.Z];
- 39) Renting and leasing of office equipment and machinery including computers [PKD 77.33.Z];
- 40) Renting and leasing of other machinery, equipment and tangible goods not elsewhere classified [PKD 77.39.Z];
- 41) Security systems service activities [PKD 80.20.Z].”

- 2) § 8 shall be amended to read as follows:

“§ 8

1. The Company's shares may be redeemed upon the shareholder’s consent through purchase thereof by the Company (voluntary redemption).
2. The voluntary redemption of shares shall require a resolution by the General Assembly of Shareholders, which, in particular, shall define the amount of remuneration to which the shareholder is entitled for the redeemed shares or the justification behind the redemption of shares without remuneration.

3. Resolution on redemption of shares may be preceded by agreements with the shareholders whose shares are to be redeemed. Such agreements shall be executed following a resolution of the General Assembly of Shareholders authorising the Management Board to execute such agreements within the scheme of repurchase for the purpose of redemption. The agreements shall specify the number of shares being purchased and the remuneration for those shares. The remuneration shall be agreed by the parties and take into consideration the criteria specified in article 5 of Commission Regulation (EC) No 2273/2003 of 22 December 2003 implementing Directive 2003/6/EC of the European Parliament and of the Council as regards exemptions for buy-back programmes and stabilisation of financial instruments.
4. In a case of shares purchased within repurchase schemes, redemption of the Company's own shares shall take place during such scheme or after its completion and shall apply to all the shares within such scheme.,

3) in § 19 clause 1 shall be amended to read as follows:

“1. The Supervisory Board shall consist of between 9 (nine) and 16 (sixteen) members, at least 1/3 of whom will be independent members. Subject to clause 7, the members of the Supervisory Board shall be appointed and removed by the General Assembly”,.

4) in § 19 clause 7 shall be amended to read as follows:

“7. In case the mandate of a member of the Supervisory Board expires for reasons other than the end of its term of office or dismissal from the Supervisory Board, the rest of the members of the Supervisory Board may appoint, by a majority of two thirds of the votes cast, a new member of the Supervisory Board. The mandate of such newly appointed member shall expire on the date of the next General Assembly held not earlier than five (5) weeks after the appointment.”,

5) § 20 shall be amended to read as follows:

“§ 20

1. The members of the Supervisory Board shall elect from among their number the Chairman of the Supervisory Board, one or more deputies of the Chairman and the Secretary of the Supervisory Board.
2. The activities of the Supervisory Board shall be managed by the Chairman of the Supervisory Board, and when absent, by the Chairman's Deputy.
3. The Chairman of the Supervisory Board shall convene the meetings of the Supervisory Board and shall chair such meetings. When the Chairman is absent, the meeting may be convened and chaired by the Deputy. When the Chairman and the Deputy are absent, the meeting shall be chaired by the Supervisory Board Secretary or a Supervisory Board member named by the Chairman.
4. When the mandate of the Chairman of the Supervisory Board should expire, the meeting shall be convened and opened, respectively, by the Deputy or, when absent, by the Supervisory Board Secretary or by the Supervisory Board member who has been holding the function for the longest time and such meeting shall be chaired by the above named until a new Chairman is appointed.
5. The Supervisory Board may dismiss the Chairman, the Deputy Chairman and the Secretary of the Supervisory Board from their positions at any time.”,

6) in § 22 clause 2 shall be amended to read as follows:

“2. The Supervisory Board may adopt resolutions only in the matters set out in the invitation, unless all members of the Supervisory Board consent to the taking of such resolution.”,

7) in § 23 clause 1 shall be amended to read as follows:

“1. The Supervisory Board shall be responsible for permanent supervision over the Company's activity (including activity led through controlled subsidiaries).”,

8) in § 23 clause 3 shall be amended to read as follows:

“3. Members of the Supervisory Board are obliged to ensure that the Company and consolidated financial statements and the report on the activities of the group meet the requirements of the provisions of law on accountancy”, - current clause 3 and 4 will be 4 and 5,

9) in § 24 clause 1 shall be amended to read as follows:

“1. The Management Board shall consist of between 3 and 10 members, including the President of the Management Board.”,

10) in § 32 shall be amended to read as follows:

“§ 32

Any notice of the Company about the General Assembly having been convened shall be disclosed at the Company's premises at places accessible to the employees.”.

§ 2

The resolution comes into force on the day of its adoption with the effective date on the day of registration of the amendments to the Articles of Association by the registry court.

Draft

Resolution no.[...] of Annual General Meeting of Telekomunikacja Polska S.A dated 12 April 2012 on drawing up the unified text of the Articles of Association

Pursuant to art. 430 § 1 of the Commercial Companies Code, and § 13 item 5 of TP S.A. Articles of Association the following is hereby adopted:

§ 1

1. With regard to the adoption by the Annual General Assembly of the resolution no. [●] dated April, 2012 on the amendments to the Articles of Association, the unified text of TP S.A. Articles of Association that include the changes arising from the abovementioned resolution shall be drawn up.
2. The unified text of the Articles of Association, referred to in clause 1 constitutes the Attachment to hereby resolution.

§ 2

The resolution comes into force on the day of its adoption with the effective date on the day of registration by the registry court of the amendments to the Articles of Association adopted in the resolution no. [●] of the Annual General Assembly dated April, 2012.

ARTICLES OF ASSOCIATION OF TELEKOMUNIKACJA POLSKA S.A.

-unified text -

I. GENERAL PROVISIONS

§ 1

The name of the Company shall be Telekomunikacja Polska Spółka Akcyjna. The Company may also use the abbreviation of its name: Telekomunikacja Polska S.A.

§ 2

1. The seat of the Company shall be in the capital city of Warsaw.
2. The Company has been established for an indefinite period of time.

§ 3

The Company shall conduct its activities in accordance with the provisions of the Commercial Companies Code and other regulations.

§ 4

1. The State Treasury is the founder of the Company.
2. The Company was created as a result of the transformation of an organised part of a state enterprise called: Polish Post, Telegraph and Telephone.

§ 5

1. The activity of the Company shall be conducted in the Republic of Poland and abroad.
2. Within its area of activity the Company may establish branch offices and representative offices in Poland and abroad as well as hold interests in and establish companies and participate in other organisations.

II. OBJECTS OF THE COMPANY

§ 6

2. The objects of the Company shall be as follows:
 - 1) Manufacture of communication equipment [PKD 26.30.Z];
 - 2) Construction of utility projects for electricity and telecommunications [PKD 42.22.Z];
 - 3) Electrical installation [PKD 43.21.Z];
 - 4) Other retail sale in non-specialised stores [PKD 47.19.Z];
 - 5) Retail sale of computers, peripheral units and software in specialised stores [PKD 47.41.Z];
 - 6) Retail sale of telecommunications equipment in specialised stores [PKD 47.42.Z];
 - 7) Retail sale of audio and video equipment in specialised stores [PKD 47.43.Z];
 - 8) Retail sale via mail order houses or via Internet [PKD 47.91.Z];
 - 9) Other retail sale not in stores, stalls or markets [PKD 47.99.Z];
 - 10) Book publishing [PKD 58.11.Z];
 - 11) Publishing of directories and mailing lists [PKD 58.12.Z];
 - 12) Other publishing activities [PKD 58.19.Z];
 - 13) Motion picture, video and television programme production activities [PKD 59.11.Z];
 - 14) Motion picture, video and television programme post-production activities [PKD 59.12.Z];
 - 15) Motion picture, video and television programme distribution activities [PKD 59.13.Z];
 - 16) Sound recording and music publishing activities [PKD 59.20.Z];
 - 17) Television programming and broadcasting activities [PKD 60.20.Z];
 - 18) Wired telecommunications activities [PKD 61.10.Z];
 - 19) Wireless telecommunications activities other than satellite telecommunications activities [PKD 61.20.Z];

- 20) Satellite telecommunications activities [PKD 61.30.Z];
 - 21) Other telecommunications activities [PKD 61.90.Z];
 - 22) Computer programming activities [PKD 62.01.Z];
 - 23) Computer consultancy activities [PKD 62.02.Z];
 - 24) Computer facilities management activities [PKD 62.03.Z];
 - 25) Other information technology and computer service activities [PKD 62.09.Z];
 - 26) Data processing, hosting and related activities [PKD 63.11.Z];
 - 27) Other information service activities, not classified elsewhere [PKD 63.99.Z];
 - 28) Financial leasing [PKD 64.91.Z];
 - 29) Activities of insurance agents and brokers [PKD 66.22.Z];
 - 30) Accounting, bookkeeping and auditing activities; tax consultancy [PKD 69.20.Z];
 - 31) Business and other management consultancy activities [PKD 70.22.Z];
 - 32) Architectural activities [PKD 71.11.Z];
 - 33) Engineering activities and related technical consultancy [PKD 71.12.Z];
 - 34) Other research and experimental development on natural sciences and engineering [PKD 72.19.Z];
 - 35) Agency in sale of time and space for advertisements in radio and television [PKD 73.12.A];
 - 36) Agency in sale of space for advertisements in Internet [PKD 73.12.C];
 - 37) Market research and public opinion polling [PKD 73.20.Z];
 - 38) Other professional, scientific and technical activities not elsewhere classified [PKD 74.90.Z];
 - 39) Renting and leasing of office equipment and machinery including computers [PKD 77.33.Z];
 - 40) Renting and leasing of other machinery, equipment and tangible goods not elsewhere classified [PKD 77.39.Z];
 - 41) Security systems service activities [PKD 80.20.Z].
3. The Company also performs tasks related to national defence and security within the scope defined by law.

III. SHARE CAPITAL

§ 7

1. The share capital shall be composed of:
 - a) 1,335,649,021 (one billion three hundred and thirty five million six hundred and forty nine thousand and twenty one) ordinary A-series bearer shares of nominal value of PLN 3 (three zlotys) each, and
 - b) no more than 7,113,000 (seven million one hundred and thirteen thousand) ordinary B-series bearer shares of nominal value of PLN 3 (three zlotys) each.
2. The share capital of the Company amounts to a maximum of PLN 4,028,286,063 (four billion and twenty eight million two hundred and eighty six thousand and sixty three zlotys), including the conditionally increased share capital of the Company amounting to a maximum of PLN 21,339,000 (twenty one million three hundred and thirty nine thousand zlotys).
3. The conditional share capital shall be established for the purpose of enabling the exercise of the right to subscribe, with priority over the existing shareholders, for no more than 7,113,000 (seven million one hundred and thirteen thousand) ordinary B-series bearer shares, which right is only vested in the holders of bonds with pre-emption right, issued in accordance with Resolution No. 38 of the General Assembly as of 28 April 2006, and allocated to the employees and executives of the Company and its subsidiaries, in accordance with the terms and conditions of the Incentive Program for the TP Group Management.

§ 8

1. The Company's shares may be redeemed upon the shareholder's consent through purchase thereof by the Company (voluntary redemption).
2. The voluntary redemption of shares shall require a resolution by the General Assembly of Shareholders, which, in particular, shall define the amount of remuneration to which the shareholder is entitled for the redeemed shares or the justification behind the redemption of shares without remuneration.
3. Resolution on redemption of shares may be preceded by agreements with the shareholders whose shares are to be redeemed. Such agreements shall be executed following a resolution of the General Assembly of Shareholders authorising the Management Board to execute such agreements within the scheme of repurchase for the purpose of redemption. The agreements shall specify the number of shares being purchased and the remuneration for those shares. The remuneration shall be agreed by the parties and take into consideration the criteria specified in article 5 of Commission Regulation (EC) No 2273/2003 of 22 December 2003

implementing Directive 2003/6/EC of the European Parliament and of the Council as regards exemptions for buy-back programmes and stabilisation of financial instruments.

4. In a case of shares purchased within repurchase schemes, redemption of the Company's own shares shall take place during such scheme or after its completion and shall apply to all the shares within such scheme.,

§ 9

1. The General Assembly of Shareholders may adopt a resolution on the increase of the initial capital by issuing new shares or by increasing the nominal value of shares.
2. The initial capital may also be increased by transferring funds from legal reserve capital or other reserve capital in the amount set out in a resolution of the General Assembly of Shareholders.

§ 10

The Company may issue convertible bonds.

IV. GOVERNING BODIES OF THE COMPANY

§ 11

The governing bodies of the Company shall be:

- 1) the General Assembly;
- 2) the Supervisory Board;
- 3) the Management Board.

1. GENERAL ASSEMBLY

§ 12

1. There shall be Annual General Assemblies and Extraordinary General Assemblies.
2. The Annual General Assembly shall be convened by the Management Board or by the Supervisory Board, if the Management Board fails to convene it within the period set out by the law. The Annual General Assembly shall take place not later than six months after the end of each financial year.
3. An Extraordinary General Assembly shall be convened by:
 - 1) the Management Board upon its own initiative or upon a written motion of the Supervisory Board or shareholder(s) representing at least 5% of the share capital,
 - 2) the Supervisory Board, if it is necessary in its opinion,
 - 3) a shareholder(s) representing at least half of the share capital or at least half of total votes in the Company.
4. An Extraordinary General Assembly convened upon a motion of the Supervisory Board or the shareholders representing at least 5% of the share capital shall be convened within two weeks from the date of the motion.

§ 13

The following matters shall in particular be within the competence of the General Assembly:

- 1) review and approval of the financial statement and report on the Company's activity in the previous financial year;
- 2) distribution of profits or coverage of losses;
- 3) confirming proper execution of duties by the members of the Boards of the Company;
- 4) change of the objects of the Company;
- 5) amendment to the Articles of Association, including an increase or reduction of the share capital;
- 6) merger or change of the legal form of the Company;
- 7) dissolution and winding-up of the Company;
- 8) issuance of convertible bonds or first option bonds;
- 9) appointment and removal of the members of the Supervisory Board;

- 10) any decision on claims for compensation of damages suffered in the course of the Company's establishment or during the execution of managerial or supervisory functions;
- 11) transfer or lease of the Company's business or its organised part or the grant of usufruct thereon;
- 12) other matters set out in the Commercial Companies Code, other mandatory provisions or herein, excluding purchase and acquisition of real estate, the right of perpetual usufruct or a share in real estate, which lie within the competence of the Management Board and do not require passing a resolution by the General Assembly of Shareholders.

§ 14

1. The agenda of the General Assembly shall be determined by the body or entity that had convened the General Assembly. If the General Assembly is convened upon the motion, referred to in § 12 clause 3 item 1) the Management Board shall include on the agenda the matters indicated by the shareholder(s) requesting the meeting.
2. The Supervisory Board or the shareholders representing at least 5% of the share capital may request that particular matters be included on the agenda of the next General Assembly. The request shall be submitted to the Management Board in writing or by electronic means at least 21 days prior to the General Assembly. The request shall be accompanied by a justification or a draft resolution regarding the proposed item.
3. Any matters to be resolved by the General Assembly shall first be presented by the Management Board to the Supervisory Board for its opinion.

§ 15

The General Assemblies shall take place in Warsaw.

§ 16

The General Assembly shall be valid regardless of the number of shares being represented.

§ 17

1. The resolutions of the General Assembly shall be adopted by a simple majority of votes cast, unless the Commercial Companies Code or these Articles of Association provide otherwise.
2. The voting at the General Assembly shall be open. A secret ballot shall be used at elections or upon motions for removal of the members of the Company's Boards or liquidators, for calling them to account for their actions or in personal matters. A secret ballot shall also be used whenever requested by at least one of the Shareholders or their representatives present at the General Assembly.

§ 18

1. A General Assembly shall be opened by the Chairman of the Supervisory Board or his deputy, and in their absence, by the President of the Management Board or a person appointed by the Management Board. Afterwards, a chairman of the General Assembly shall be elected from among persons eligible to attend the meeting.
2. The General Assembly shall adopt its by-laws setting out the detailed procedures for holding the Assembly.

2. SUPERVISORY BOARD

§ 19

1. The Supervisory Board shall consist of between 9 (nine) and 16 (sixteen) members at least 1/3 of whom will be independent members. Subject to clause 7, the members of the Supervisory Board shall be appointed and removed by the General Assembly.
2. The General Assembly may determine the fixed, minimum or maximum number of members of the Supervisory Board within the range specified in clause 1 above.
3. A member of the Supervisory Board shall have the relevant education, professional and practical experience and high morals and shall be able to devote all time required to properly perform the function on the Supervisory Board.
4. The independent members of the Supervisory Board shall satisfy the following conditions:
 - 2) not to be, or have been for the previous five years a member of the Management Board of the Company, or its dominant or subsidiary company and not to belong to senior management of such entities,

- 3) not to be, or have been within the previous five years an employee of the Company, or its dominant or subsidiary company,
 - 4) not to receive, or have received, significant additional remuneration or any pecuniary performance from the Company, or its dominant or subsidiary company apart from a fee received as a member of the Supervisory Board,
 - 5) not to be or to represent in any way, particularly as a management board's member, a supervisory board's member or senior employee, of a dominant shareholder,
 - 6) not to have, or have had within the previous year, a significant business relationship (as a significant supplier of goods or services, including financial, legal, advisory or consulting services, or significant customer) with the Company or an associated company, either directly or as a partner, significant shareholder, director or senior employee of an entity having such a relationship,
 - 7) not to be, or have been within the previous three years an external auditor of the Company, or its dominant or subsidiary company or an employee of such auditor,
 - 8) not to be a member of a management board in a company in which a member of the Management Board of the Company is a member of the supervisory board,
 - 9) not to have served on the Supervisory Board of the Company for more than twelve years from the date of the first appointment,
 - 10) not to have, or have had family connections with a member of the Management Board of the Company, senior employee of the Company, or a dominant shareholder.
5. Subject to clause 7, the term of office of each member of the Supervisory Board shall be three years.
 6. The mandate of a member of the Supervisory Board shall expire at the latest on the date of the General Assembly which approves the financial statements for the second full financial year of his service as a member of the Supervisory Board. The mandate of a member of the Supervisory Board shall also expire as a result of the death, resignation or removal of such a member of the Supervisory Board.
 7. In case the mandate of a member of the Supervisory Board expires for reasons other than the end of its term of office or dismissal from the Supervisory Board, the rest of the members of the Supervisory Board may appoint, by a majority of two thirds of the votes cast, a new member of the Supervisory Board. The mandate of such newly appointed member shall expire on the date of the next General Assembly held not earlier than five (5) weeks after the appointment.
 8. Number of members of the Supervisory Board appointed in accordance with clause 7 shall not exceed 3 persons.

§ 20

1. The members of the Supervisory Board shall elect from among their number the Chairman of the Supervisory Board, one or more deputies of the Chairman and the Secretary of the Supervisory Board.
2. The activities of the Supervisory Board shall be managed by the Chairman of the Supervisory Board, and when absent, by the Chairman's Deputy.
3. The Chairman of the Supervisory Board shall convene the meetings of the Supervisory Board and shall chair such meetings. When the Chairman is absent, the meeting may be convened and chaired by the Deputy. When the Chairman and the Deputy are absent, the meeting shall be chaired by the Supervisory Board Secretary or a Supervisory Board member named by the Chairman.
4. When the mandate of the Chairman of the Supervisory Board should expire, the meeting shall be convened and opened, respectively, by the Deputy or, when absent, by the Supervisory Board Secretary or by the Supervisory Board member who has been holding the function for the longest time and such meeting shall be chaired by the above named until a new Chairman is appointed.
5. The Supervisory Board may dismiss the Chairman, the Deputy Chairman and the Secretary of the Supervisory Board from their positions at any time.

§ 21

1. The Supervisory Board shall hold meetings at least once a quarter.
2. The Management Board or a member of the Supervisory Board may request a meeting of the Supervisory Board to be convened, specifying the proposed agenda for the meeting. The Chairman of the Supervisory Board shall convene the meeting within two weeks from the date of the motion. If the Chairman of the Supervisory Board fails to convene the meeting within two weeks from the date of the motion, the mover of the motion may convene the meeting himself, specifying the date, the place and the proposed agenda.

§ 22

1. The Supervisory Board may adopt resolutions if all members of the Supervisory Board have been invited to the meeting.
2. The Supervisory Board may adopt resolutions only in the matters set out in the invitation, unless all members of the Supervisory Board consent to the taking of such resolution.
3. Unless these Articles of Association provide otherwise, the Supervisory Board shall pass its resolutions by a simple majority of the votes cast provided that at least one-half of the total number of members are present at the meeting. In the case of a tied vote, the Chairman shall have a casting vote.
4. Members of the Supervisory Board may participate in adopting resolutions of the Supervisory Board by casting a vote in writing via another member of the Supervisory Board. Casting a vote in writing shall not apply to issues added to the agenda during the meeting of the Supervisory Board.
5. The Supervisory Board may adopt resolutions in a written form or by using means of direct remote communication. Such resolution shall be valid if all members of the Supervisory Board have been informed about the content of a draft resolution.
6. Adoption of resolutions under the procedure defined in clauses 4 and 5 above shall not apply to the election of the Chairman, deputy Chairman and the Secretary of the Supervisory Board, appointment of the Member of the Management Board as well as dismissal and suspension of such persons.
7. The Supervisory Board shall adopt and amend its by-laws which describe in detail the procedures of operation of the Supervisory Board by a simple majority of the votes cast.

§ 23

1. The Supervisory Board shall be responsible for permanent supervision over the Company's activity (including activity led through controlled subsidiaries).
2. The powers of the Supervisory Board shall include in particular:
 - 1) evaluation of financial statements of the Company;
 - 2) evaluation of the Management Board's report on Company's activities and motions of the Management Board regarding distribution of profits or covering of losses;
 - 3) submitting a written report on the results of the evaluations referred to in items 1 and 2 above to the General Assembly;
 - 4) appointing, dismissing and suspending for important reasons a member of the Management Board or the entire Management Board;
 - 5) designating a member or members of the Supervisory Board to temporarily perform the duties of Management Board members in the case the Management Board members are suspended or otherwise unable to perform their duties;
 - 6) determining the terms of remuneration of the Management Board and fixing the remuneration of members of the Management Board;
 - 7) stating an opinion on motions submitted by or via the Management Board to the General Assembly;
 - 8) appointing an auditor to examine financial statements of the Company;
 - 9) stating an opinion on annual and long-term business plans of the Company and its annual budget;
 - 10) stating an opinion on incurring liabilities in excess of the equivalent of EURO 100,000,000;
 - 11) stating an opinion on disposal of the Company's assets in excess of the equivalent of EURO 100,000,000;
 - 12) submitting a concise evaluation of the Company's standing to the General Assembly;
 - 13) dealing with other matters set out in the Commercial Companies Code or herein.
3. Members of the Supervisory Board are obliged to ensure that the Company and consolidated financial statements and the report on the activities of the group meet the requirements of the provisions of law on accountancy.
4. The members of the Supervisory Board shall exercise their rights and perform their duties in person.
5. The remuneration of the members of the Supervisory Board shall be determined by the General Assembly.

3. THE MANAGEMENT BOARD

§ 24

1. The Management Board shall consist of between 3 and 10 members, including the President of the Management Board.

2. The term of office of each member of the Management Board shall be three years.
3. The President and other members of the Management Board shall be appointed and removed by the Supervisory Board.
4. The resolutions of the Supervisory Board regarding the appointment of the President or other members of the Management Board shall be adopted by a simple majority of the votes cast.
5. The mandates of the Management Board members shall expire at the latest on the date of the General Assembly which approves the financial statements for the second full financial year of his service as a member of the Management Board. The mandate of a member of the Supervisory Board shall also expire as a result of the death, resignation or removal of such a member of the Management Board.
6. Members of the Management Board may be at any time removed or suspended for important reasons by the Supervisory Board before the expiration of their term of office.
7. If the number of the members of the Management Board falls below the minimum set out herein, the Supervisory Board shall within two weeks hold a meeting to appoint additional members of the Management Board. The resolutions of the Management Board taken in the meantime shall be valid.

§ 25

1. The Management Board shall manage the Company's affairs, administer its assets and represent the Company towards third parties.
2. The operations of the Management Board shall be headed by the President of the Management Board, who represents the employer towards all employees of the Company.
3. The President of the Management Board or, in the event of his absence, another member of the Management Board appointed by him shall chair meetings of the Management Board.
4. The Management Board shall be responsible for any matters relating to the Company's affairs which, under the Commercial Companies Code or these Articles of Association, do not fall within the competence of the General Assembly of Shareholders or the Supervisory Board.
5. The detailed procedures of operation of the Management Board shall be set out in by-laws adopted by the Management Board.
6. By means of a resolution of the Management Board, certain Company's matters may be assigned to particular members of the Management Board to be handled by themselves.
7. Resolutions of the Management Board may be adopted if all members of the Management Board have been informed about the meeting in a proper manner. The resolutions of the Management Board shall be passed by a majority vote of the entire Management Board.

§ 26

1. The President of the Management Board acting jointly with another member of the Management Board shall be empowered to represent the Company.
2. The Company may appoint attorneys to perform a particular action or particular types of action, as well as appoint proxies.
3. The provisions of clause 1 above shall not prejudice the power to represent the Company which may be granted to a commercial proxy.

§ 27

In any agreements or disputes between the Company and members of the Management Board, the Company shall be represented by a delegated member of the Supervisory Board.

V. THE OPERATIONS OF THE COMPANY

§ 28

The financial year of the Company shall be the calendar year.

§ 29

Within 3 (three) months after the end of a financial year the Management Board shall prepare the financial statements of the Company as of the last day of the financial year, as well as a detailed report on the Company's

activity in that year and submit them to the Supervisory Board within a time frame enabling fulfilment of duties imposed by the relevant regulations.

§ 30

- 1. The General Assembly shall decide on the distribution of the Company’s net profit, taking into account any deductions from the net profit required by law.
- 2. The resolution of the General Assembly on the distribution of the annual profit among Shareholders shall designate the dividend payment date and the ex-dividend date. The dividend payment date shall be no later than within six months from the date of such resolution.
- 3. Management Board of the Company is entitled to pay the shareholders an advance on the dividends expected at the end of the financial year if the company has sufficient funds for such payment, after prior receipt of the Supervisory Board’s consent.

§ 31

- 1. The Company shall create the following capital:
 - 1) share capital;
 - 2) supplementary capital;
 - 3) reserve capital;
 - 4) special-purpose funds; and
 - 5) other funds required by law.
- 2. Supplementary capital shall be created by annual contributions from the net profit in an amount of at least 8% of the profit until the supplementary capital reaches one-third of the total amount of the share capital. The amount of contributions shall be determined by the General Assembly. The General Assembly may decide to continue making contributions to the supplementary capital despite the fact that it has exceeded one-third of the total amount of the share capital.
- 3. The reserve capital shall be created by annual contributions from the net profit in an amount of at least 2% of the profit up to the amount determined by the General Assembly. The reserve capital shall be created independently from the supplementary capital and shall be used for the coverage of losses or expenses of the Company. The reserve capital may be also created from designated revenues of the Company, unless prohibited by the law.
- 4. A resolution of the General Assembly may also designate and use special purpose funds at the beginning of and at the end of a financial year.
- 5. The General Assembly shall decide on the use of the supplementary capital, reserve capital and special-purpose funds. The use of special-purpose funds may be also determined by the Management Board in accordance with the regulations adopted by the General Assembly.

VI. FINAL PROVISIONS

§ 32

Any notice of the Company about the General Assembly having been convened shall be disclosed at the Company’s premises at places accessible to the employees.

Draft

Resolution no [...] of Annual General Meeting of Telekomunikacja Polska S.A dated 12 April 2012 on on appointment/removal of Mr/s. to/from the Company’s Supervisory Board

Pursuant to article 385 of the Commercial Companies Code and § 13.9 of the Articles of Association of Telekomunikacja Polska SA (hereinafter referred to as the Company), the following is resolved:

§ 1

Mr/s. is appointed/removed to/from the Company’s Supervisory Board.

§ 2

The resolution enters into force on the day of its adoption.