

This is a translation from the original Update Notice No. 1 dated 08.04.2011 and should not be read in substitution of the original Update Notice No. 1. This translation of the original Update Notice No. 1 dated 08.04.2011 does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Offer or to subscribe or purchase of any of the Mortgage and Public Sector Covered Bonds.

**Update Notice No. 1
of April 8th 2011
to the Base Prospectus of BRE Bank Hipoteczny S.A.**

Par. 1

Due to changes of registration procedure of covered bonds in Polish National Depository for Securities and necessity of adjustment of the Base Prospectus of BRE Bank Hipoteczny S.A. approved by the Polish Financial Supervision Authority on October 28th 2009 (hereinafter referred to as the "Prospectus") concerning the manner of payment for Covered Bonds by Investors, following amendments are hereby made :

- 1) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING, Section 1.1.3 *Opening and Closing Dates of the Offering and Subscription Procedure* letter C. *Rules Governing Placement of Subscription Orders for Covered Bonds in a Firm Commitment Underwritten Offering*, the following paragraph shall be added at the end of the text under the heading *Rules Governing Placement of Subscription Orders for Covered Bonds in a Firm Underwritten Offering*:**

"If registration of Covered Bonds of a given series with the Polish NDS is to take place following the clearing and settlement by the Polish NDS of transactions executed as part of the Offering, resulting in the registration of Covered Bonds in the registration accounts of participants simultaneously with debiting of their cash accounts, i.e. under Par. 12 of the Detailed Rules of Operation of the National Depository for Securities (Appendix 1 to Resolution No. 176/09 of the Management Board of the National Depository for Securities, dated May 15th 2009, as amended), payment for Covered Bonds of that series shall be made by way of exchange of clearing instructions between the entity maintaining the investor's securities account and the entity representing the Firm Commitment Underwriter (*delivery versus payment*). In such an event, the investor shall be required to submit a deposit instruction indicating the securities account for the purpose of settlement of payments and settlement of Covered Bonds; otherwise the subscription order will be invalid. Information on the procedure of registration of Covered Bonds of a given series, the manner of payment for Covered Bonds of a given series, and the fact that the investor is required to hold a securities account will be provided in the Supplement concerning a given series of Covered Bonds."

- 2) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING, Section 1.1.4 *Reduction of Subscription Orders and Return of Overpayments to Investors* the following paragraph shall be added at the end of the text under the heading: *Invited Investors* :**

"If payment for Covered Bonds of a given series is made by way of exchange of clearing instructions between the entity maintaining the investor's securities account and the entity representing the Firm Commitment Underwriter (*delivery versus payment*), in order to pay for the Covered Bonds subscribed for, the investor shall be required to issue a clearing instruction in accordance with the parameters specified in the Invitation. If a clearing instruction is issued with different parameters, this may result in the subscription order not being paid up in due time and the investor not being allotted the Covered Bonds subscribed for. The required manner of payment by the investor will be indicated in the Supplement for a given series of Covered Bonds."

- 3) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING, Section 1.1.6 *Time and Manner of Payment; Delivery of Securities* letter A. *Payment for Covered Bonds Purchased by Invited Investors from the Firm Commitment Underwriter***

- **the previous wording:**

”Payment for Covered Bonds purchased by Invited Investors from the Firm Commitment Underwriter should be made in full in the currency of denomination of Covered Bonds of a given series or - in the case of Covered Bonds denominated in the euro or in the U.S. dollar - in the Polish zloty, translated at a rate agreed upon between the Firm Commitment Underwriter and the investor, in such a manner that the payment is credited to the account of the entity accepting the subscription order by the date determined separately for each series of Covered Bonds.”

- **shall be changed to read as follows:**

”Payment for Covered Bonds purchased by Invited Investors from the Firm Commitment Underwriter should be made in full in the currency of denomination of Covered Bonds of a given series or - in the case of Covered Bonds denominated in the euro or in the U.S. dollar - in the Polish zloty, translated at a rate agreed upon between the Firm Commitment Underwriter and the investor, in such a manner that the payment is credited to the account specified in the Invitation by the date determined separately for each series of Covered Bonds.

If payment for Covered Bonds of a given series is made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and the entity representing the Firm Commitment Underwriter (*delivery versus payment*), in order to pay for the Covered Bonds subscribed for, the investor shall be required to issue a settlement instruction at the time and in accordance with the parameters specified in the Invitation.”

- **the previous wording:**

“Information on the number of the account to which payment for Covered Bonds purchased by an investor from the Firm Commitment Underwriter should be made shall be available from the Offeror and the Firm Commitment Underwriter during the subscription period for Covered Bonds of a given series and, in addition, shall be provided to investors in the Invitation to place a subscription order.”

- **shall be changed to read as follows:**

“Information on the manner of payment for Covered Bonds purchased by investors from the Firm Commitment Underwriter shall be available from the Offeror and the Firm Commitment Underwriter during the subscription period for Covered Bonds of a given series and, in addition, shall be provided to investors in the Invitation to place a subscription order.”

4) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING, Section 1.1.6 *Time and Manner of Payment; Delivery of Securities letter C. Delivery of Securities*

- **the previous wording:**

”Prior to the opening of the Offering, the Issuer shall enter into an agreement with the Polish NDS providing for the registration of Covered Bonds with the Polish NDS. Upon allotment to investors, Covered Bonds of a given series shall be immediately deposited in the investment accounts of the persons to whom they were allotted.”

- **shall be changed to read as follows:**

”The Issuer shall apply to the Polish NDS for the conclusion of an agreement on registration of Covered Bonds with the Polish NDS. Upon allotment of Covered Bonds of a given series, the Issuer and the Firm Commitment Underwriter shall take action to promptly have the Covered Bonds

deposited in the investment accounts of the persons to whom they were allotted. If registration of Covered Bonds of a given series with the Polish NDS is to take place following the clearing and settlement by the Polish NDS of transactions executed as part of the Offering, resulting in the registration of Covered Bonds in the registration accounts of participants simultaneously with debiting of their cash accounts, i.e. under Par. 12 of the Detailed Rules of Operation of the National Depository for Securities (Appendix 1 to Resolution No. 176/09 of the Management Board of the National Depository for Securities, dated May 15th 2009, as amended), the registration shall take place upon submission to the Polish NSD of a settlement instruction by the entity maintaining the investor's securities account, made out in accordance with the settlement instruction of the entity maintaining the Firm Commitment Underwriter's securities account, and upon payment for the Covered Bonds.”

- **and the following paragraph shall be added at the end of the text under the heading**

”If registration of Covered Bonds of a given series is made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and and the entity representing the Firm Commitment Underwriter (*delivery versus payment*), the investor shall be required to indicate a securities account for the purpose of settlement of payments and settlement of Covered Bonds. The registration procedure shall be specified in the Supplement concerning a given series of Covered Bonds on a case-by-case basis.”

5) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING, Section 2.1.3 *Opening and Closing Dates of the Offering and Subscription Procedure* letter C. *Rules Governing Placement of Subscription Orders for Covered Bonds in an Ordinary Procedure Offering*, the following paragraph shall be added at the end of the text under the heading *Rules Governing Placement of Subscription Orders by Invited Investors*:

”If registration of Covered Bonds of a given series with the Polish NDS is to take place following the clearing and settlement by the Polish NDS of transactions executed as part of the Offering, resulting in the registration of Covered Bonds in the registration accounts of participants simultaneously with debiting of their cash accounts, i.e. under Par. 12 of the Detailed Rules of Operation of the National Depository for Securities (Appendix 1 to Resolution No. 176/09 of the Management Board of the National Depository for Securities, dated May 15th 2009, as amended), payment for Covered Bonds of a given series shall be made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and and the entity representing the Issuer (*delivery versus payment*). In such an event, the investor shall be required to submit a deposit instruction indicating the securities account for the purpose of settlement of payments and settlement of Covered Bonds; otherwise the subscription order will be invalid. The procedure of registration of Covered Bonds of a given series, the manner of payment and the fact that the investor is required to hold a securities account will be specified in an appropriate Supplement.”

6) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING, Section 2.1.4 *Reduction of Subscription Orders and Return of Overpayments to Investors* the following paragraph shall be added at the end of the text under the heading: *Invited Investors* :

”If payment for Covered Bonds of a given series is made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and and the entity representing the Issuer (*delivery versus payment*), in order to pay for the Covered Bonds subscribed for, the investor shall be required to issue a settlement instruction in accordance with the parameters specified in the Invitation. If a clearing instruction is issued with different parameters, this may result in the subscription order not being paid up in due time and the investor not being allotted the Covered Bonds

subscribed for. The required manner of payment by the investor shall be indicated in the Supplement for a given series of Covered Bonds.”

7) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING, Section 2.1.6 *Time and Manner of Payment; Delivery of Securities* letter A. *Payment for Covered Bonds Purchased by Invited Investors*

- **the previous wording:**

”Payment for Covered Bonds purchased by Invited Investors should be made in full in the currency of denomination of Covered Bonds of a given series or – in the case of Covered Bonds denominated in the euro or in the U.S. dollar – in the Polish zloty, translated at a rate agreed upon between the Issuer and the investor, in such a manner that the payment is credited to the account of the entity accepting the subscription order by the date determined separately for each series of Covered Bonds.”

- **shall be changed to read as follows:**

”Payment for Covered Bonds purchased by Invited Investors should be made in full in the currency of denomination of Covered Bonds of a given series or - in the case of Covered Bonds denominated in the euro or in the U.S. dollar - in the Polish zloty, translated at a rate agreed upon between the Issuer and the investor, in such a manner that the payment is credited to the account specified in the Invitation by the date determined separately for each series of Covered Bonds.

If payment for Covered Bonds of a given series is made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and the entity representing the Issuer (delivery versus payment), in order to pay for the Covered Bonds subscribed, the investor shall be required to issue a settlement instruction matching the date and parameters specified in the Invitation.”

- **the previous wording**

“Information on the number of the account to which payment for Covered Bonds should be made shall be available from the Offeror during the subscription period for Covered Bonds of a given series and, in addition, shall be provided to investors in the Invitation to place a subscription order.”

- **shall be changed to read as follows:**

“Information on the manner of payment for Covered Bonds shall be available from the Offeror during the subscription period for Covered Bonds of a given series and, in addition, shall be provided to investors in the Invitation to place a subscription order.”

8) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING, Section 2.1.6 *Time and Manner of Payment; Delivery of Securities* letter C. *Delivery of Securities, the previous wording:*

”Prior to the opening of the Offering, the Issuer shall enter into an agreement with the Polish NDS providing for the registration of Covered Bonds with the Polish NDS. Upon allotment to investors, Covered Bonds of a given series shall be immediately deposited in the investment accounts of the persons to whom they were allotted.”

- **shall be changed to read as follows:**

”The Issuer shall apply to the Polish NDS for the conclusion of an agreement on registration of Covered Bonds with the Polish NDS.

Upon allotment of Covered Bonds of a given series, the Issuer and the Firm Commitment Underwriter shall take action to promptly have the Covered Bonds deposited in the investment accounts of the persons to whom they were allotted. If registration of Covered Bonds of a given series with the Polish

NDS is to take place following the clearing and settlement by the Polish NDS of transactions executed as part of the Offering, resulting in the registration of Covered Bonds in the registration accounts of participants simultaneously with debiting of their cash accounts, i.e. under Par. 12 of the Detailed Rules of Operation of the National Depository for Securities (Appendix 1 to Resolution No. 176/09 of the Management Board of the National Depository for Securities, dated May 15th 2009, as amended), the registration shall take place upon submission to the Polish NSD of a settlement instruction by the entity maintaining the investor's securities account, made out in accordance with the settlement instruction of the entity maintaining the Firm Commitment Underwriter's securities account, and upon payment for the Covered Bonds.”

- **and the following paragraph shall be added at the end of the text under the heading**

“If registration of Covered Bonds of a given series is made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and and the entity representing the Issuer (*delivery versus payment*), the investor shall be required to indicate a securities account for the purpose of settlement of payments and settlement of Covered Bonds. The registration procedure shall be specified in the Supplement concerning a given series of Covered Bonds on a case-by-case basis.”

9) In Section 7.1.2. Closing and Opening Dates of the Offering and Subscription Procedure letter B. Rules Governing Placement of Subscription Orders for Covered Bonds of the Supplement to the Prospectus : Offering Addressed to Invited Investors

- **the previous wording :**

”Along with the subscription order for Covered Bonds, an investor may submit an instruction to deposit all Covered Bonds in the investor's securities account. In such an instruction, the investor shall specify the number of the securities account and the name of the bank or brokerage house maintaining the account. The instruction shall be irrevocable and may not contain any reservations, and its form is included in the subscription order form.

If an investor does not submit the instruction to deposit Covered Bonds in a securities account, the Covered Bonds allotted to such investor shall be deposited in the issue sponsor's account maintained by the Offeror. In such a case, the investor shall be entitled to collect a confirmation of the acquisition of Covered Bonds from the entity with which the investor placed the subscription order and to deposit the Covered Bonds in the investor's securities account.”

- **shall be changed to read as follows:**

”[Along with the subscription order for Covered Bonds, an investor may submit an instruction to deposit all Covered Bonds in the investor's securities account. In such an instruction, the investor shall specify the number of the securities account and the name of the bank or brokerage house maintaining the account. The instruction shall be irrevocable and may not contain any reservations, and its form is included in the subscription order form.

If an investor does not submit the instruction to deposit Covered Bonds in a securities account, the Covered Bonds allotted to such investor shall be deposited in the issue sponsor's account maintained by the Offeror. In such a case, the investor shall be entitled to collect a confirmation of the acquisition of Covered Bonds from the entity with which the investor placed the subscription order and to deposit the Covered Bonds in the investor's securities account.]

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[Considering that payment for Series [x] Covered Bonds will be made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and and the entity representing the Firm Commitment Underwriter (*delivery versus payment*), the investor shall be required to indicate in the subscription form the securities account for the purpose of settlement of payments and settlement of Covered Bonds and the name of the brokerage house/bank maintaining the account; otherwise, the subscription order shall be invalid.]”

10) In Section 7.1.3. *Reduction of Subscription Orders and Return of Overpayments to Investors of the Supplement to the Prospectus, the following paragraph shall be added at the end of the text under the heading: Offering Addressed to Invited Investors:*

"[Considering that payment for Series [x] Covered Bonds will be made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and the entity representing the Firm Commitment Underwriter (delivery versus payment), in order to pay for the Covered Bonds subscribed for, the investor shall be required to issue a settlement instruction in accordance with the parameters specified in the Invitation. If a clearing instruction is issued with different parameters, this may result in the subscription order not being paid up in due time and the investor not being allotted the Covered Bonds subscribed for.]"

11) In Section 7.1.5. *Time and Manner of Payment; Delivery of Securities* of the Supplement to this Prospectus, *Offering Addressed to Invited Investors*

- **the previous wording:**

"Payment for Covered Bonds purchased by Invited Investors from the Firm Commitment Underwriter should be made in full, in [PLN / EUR/ USD] [or in PLN, translated at an exchange rate agreed between the Firm Commitment Underwriter and the investor], in a manner ensuring that the payment is credited to the account of the entity accepting subscription orders for Series [●] Covered Bonds by [●] on [●].

A full payment shall be understood as the payment of an amount equal to the product of the number of Covered Bonds of a given series specified in the Invitation to place a subscription order sent to the investor, and the Selling Price per Series [x] Covered Bond.

Information on the number of the account to which payment for Covered Bonds purchased by an investor from the Firm Commitment Underwriter should be made shall be available from the Offeror and the Firm Commitment Underwriter during the subscription period for Series [x] Covered Bonds and, in addition, shall be provided to investors in the Invitation to place a subscription order."

- **shall be changed to read as follows:**

"Payment for Covered Bonds purchased by Invited Investors from the Firm Commitment Underwriter should be made in full, in [PLN / EUR/ USD] [or in PLN, translated at an exchange rate agreed between the Firm Commitment Underwriter and the investor].

[Payment for Series [●] Covered Bonds should be made in a manner ensuring that the payment is credited to the account indicated in the Invitation by the date determined separately for each series.] / [Payment for Series [●] Covered Bonds shall be made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and the entity representing the Firm Commitment Underwriter (*delivery versus payment*). In order to pay for the Series [●] Covered Bonds subscribed for the investor shall be required to issue a settlement instruction at the time and with the parameters indicated in the Invitation.]

A full payment shall be understood as the payment of an amount equal to the product of the number of Covered Bonds of a given series specified in the Invitation to place a subscription order sent to the investor, and the Selling Price per Series [x] Covered Bond.

Information on the manner of payment for Covered Bonds purchased by an investor from the Firm Commitment Underwriter shall be available from the Offeror and the Firm Commitment Underwriter during the subscription period for Series [x] Covered Bonds and, in addition, shall be provided to investors in the Invitation to place a subscription order."

12) In Section 7.1.5. *Time and Manner of Payment; Delivery of Securities* of the Supplement to this Prospectus, the present previous of the text under the heading *Delivery of Securities:*

"Prior to the opening of the Offering, the Issuer shall enter into an agreement with the Polish NDS providing for the registration of Covered Bonds with the Polish NDS. Upon allotment to investors,

Covered Bonds of a given series shall be immediately deposited in the investment accounts of the persons to whom they were allotted.

Covered Bonds shall be deposited in the investors' investment accounts in accordance with the investors' instructions. [If an investor does not submit the instruction to deposit Covered Bonds in a securities account, the Covered Bonds allotted to such investor shall be deposited in the issue sponsor's account maintained by the Offeror. In such a case, the investor shall be entitled to collect a confirmation of the acquisition of Covered Bonds from the entity with which the investor placed the subscription order and to deposit the Covered Bonds in the investor's securities account.]"

- **shall be changed to read as follows:**

"The Issuer shall apply to the Polish NDS for the conclusion of an agreement on registration of Covered Bonds of a given series with the Polish NDS. Upon allotment of Covered Bonds of a given series, the Issuer and the Firm Commitment Underwriter shall take action to promptly have the Covered Bonds deposited in the investment accounts of the persons to whom they were allotted.

[Registration of Series [●] Covered Bonds with the Polish NDS shall take place following the clearing and settlement by the Polish NDS of transactions executed as part of the Offering, resulting in the registration of Series [●] Covered Bonds in the registration accounts of participants simultaneously with debiting of their cash accounts, i.e. registration shall take place upon submission to the Polish NDS by the entity maintaining the investor's securities account of a settlement instruction made out in accordance with the settlement instruction issued by and the entity representing the Firm Commitment Underwriter, and upon payment for Series [●] Covered Bonds.]

[Covered Bonds shall be deposited in the investors' investment accounts in accordance with the investors' instructions. If an investor does not submit the instruction to deposit Covered Bonds in a securities account, the Covered Bonds allotted to such investor shall be deposited in the issue sponsor's account maintained by the Offeror. In such a case, the investor shall be entitled to collect a confirmation of the acquisition of Covered Bonds from the entity with which the investor placed the subscription order and to deposit the Covered Bonds in the investor's securities account.]/ Considering that registration of Series [x] Covered Bonds will be made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and the entity representing the Firm Commitment Underwriter (delivery versus payment), the investor shall be required to indicate the securities account for the purpose of settlement of payments and settlement of Covered Bonds.]"

13) In Section 8.1.2. *Closing and Opening Dates of the Offering and Subscription Procedure* letter B. *Rules Governing Placement of Subscription Orders for Covered Bonds of the Supplement to the Prospectus: Offering Addressed to Invited Investors*

- **the previous wording:**

"Along with the subscription order for Covered Bonds, an investor may submit an instruction to deposit all Covered Bonds in the investor's securities account. In such an instruction, the investor shall specify the number of the securities account and the name of the bank or brokerage house maintaining the account. The instruction shall be irrevocable and may not contain any reservations, and its form shall be included in the subscription order form.

If an investor does not submit the instruction to deposit Covered Bonds in a securities account, the Covered Bonds allotted to such investor shall be deposited in the issue sponsor's account maintained by the Offeror. In such a case, the investor shall be entitled to collect a confirmation of the acquisition of Covered Bonds from the entity with which the investor placed the subscription order and to deposit the Covered Bonds in the investor's securities account."

- **shall be changed to read as follows:**

"[Along with the subscription order for Covered Bonds, an investor may submit an instruction to deposit all Covered Bonds in the investor's securities account. In such an instruction, the investor shall specify the number of the securities account and the name of the bank or brokerage house maintaining

the account. The instruction shall be irrevocable and may not contain any reservations, and its form is included in the subscription order form.

If an investor does not submit the instruction to deposit Covered Bonds in a securities account, the Covered Bonds allotted to such investor shall be deposited in the issue sponsor's account maintained by the Offeror. In such a case, the investor shall be entitled to collect a confirmation of the acquisition of Covered Bonds from the entity with which the investor placed the subscription order and to deposit the Covered Bonds in the investor's securities account.]

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[Considering that payment for Series [x] Covered Bonds will be made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and the entity representing the Issuer (delivery versus payment), the investor shall be required to indicate in the subscription order the securities account for the purpose of settlement of payments and settlement of Covered Bonds and the name of the brokerage house/bank maintaining the account; otherwise, the subscription order shall be invalid.]”

14) In Section 8.1.3. *Reduction of Subscription Orders and Return of Overpayments to Investors of the Supplement to the Prospectus, the following paragraph shall be added at the end of the text under the heading Offering Addressed to Invited Investors:*

”[Considering that payment for Series [x] Covered Bonds will be made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and the entity representing the Issuer (delivery versus payment), in order to pay for the Covered Bonds subscribed for, the investor shall be required to issue a settlement instruction in accordance with the parameters specified in the Invitation. If a clearing instruction is issued with different parameters, this may result in the subscription order not being paid up in due time and the investor not being allotted the Covered Bonds subscribed for.]”

15) In Section 8.1.5. *Time and Manner of Payment; Delivery of Securities* of the Supplement to this Prospectus: *Offering Addressed to Invited Investors*

- the previous wording:

”Payment for Covered Bonds purchased by Invited Investors should be made in full, in [PLN / EUR/ USD] [or in PLN, translated at an exchange rate determined by the Issuer] [translated at an exchange rate agreed between the Issuer and the investor], in a manner ensuring that the payment is credited to the account of the entity accepting subscription orders by [●] on [●].

A full payment shall be understood as the payment of an amount equal to the product of the number of Covered Bonds of a given series specified in the Invitation to place a subscription order sent to the investor, and the Issue Price per Series [x] Covered Bond.

Information on the number of the account to which payment for Covered Bonds purchased by investors should be made shall be available from the Offeror during the subscription period for Series [x] Covered Bonds and, in addition, shall be provided to investors in the Invitation to place a subscription order.”

- shall be changed to read as follows:

”Payment for Covered Bonds purchased by Invited Investors should be made in full, in [PLN / EUR/ USD] [or in PLN, translated at an exchange rate determined by the Issuer] [translated at an exchange rate agreed between the Issuer and the investor].

[Payment for Series [●] Covered Bonds should be made in a manner ensuring that the payment is credited to the account indicated in the Invitation by the date determined separately for each series.] /

[Payment for Series [●] Covered Bonds shall be made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and the entity representing the Issuer (*delivery versus payment*). In order to pay for the Series [●] Covered Bonds the investor shall be required to issue a settlement instruction at the time and with the parameters indicated in the Invitation.]

A full payment shall be understood as the payment of an amount equal to the product of the number of Covered Bonds of a given series specified in the Invitation to place a subscription order sent to the investor, and the Issue Price per Series [x] Covered Bond.

Information on the manner of payment for Covered Bonds purchased by investors shall be available from the Offeror during the subscription period for Series [x] Covered Bonds and, in addition, shall be provided to investors in the Invitation to place a subscription order."

16) In Section 8.1.5. *Time and Manner of Payment; Delivery of Securities* of the Supplement to the Prospectus: *Delivery of Securities*:

- the previous wording:

"Prior to the opening of the Offering, the Issuer shall enter into an agreement with the Polish NDS providing for the registration of Covered Bonds with the Polish NDS. Upon completion of allotment of Series [x] Covered Bonds, the Issuer shall promptly take action to have them deposited in the investment accounts of the persons to whom they were allotted.

Covered Bonds shall be deposited in the investors' investment accounts in accordance with the investors' instructions. [If an investor does not submit the instruction to deposit Covered Bonds in a securities account, the Covered Bonds allotted to such investor shall be deposited in the issue sponsor's account maintained by the Offeror. In such a case, the investor shall be entitled to collect a confirmation of the acquisition of Covered Bonds from the entity with which the investor placed the subscription order and to deposit the Covered Bonds in the investor's securities account.]"

- shall be changed to read as follows:

"The Issuer shall apply to the Polish NDS for the conclusion of an agreement on registration of Covered Bonds of a given series with the Polish NDS. Upon allotment of Covered Bonds of a given series, the Issuer shall take action to promptly have the Covered Bonds deposited in the investment accounts of the persons to whom they were allotted.

[Registration of Series [●] Covered Bonds with the Polish NDS shall take place following the clearing and settlement by the Polish NDS of transactions executed as part of the Offering, resulting in the registration of Series [●] Covered Bonds in the registration accounts of participants simultaneously with debiting of their cash accounts, i.e. the registration shall take place upon submission to the Polish NDS by the entity maintaining the investor's securities account of a settlement instruction made out in accordance with the settlement instruction issued by the entity representing the Issuer, and upon payment for Series [●] covered bonds.]

[Covered Bonds shall be deposited in the investors' investment accounts, in accordance with the investors' instructions.

If an investor does not submit the instruction to deposit Covered Bonds in a securities account, the Covered Bonds allotted to such investor shall be deposited in the issue sponsor's account maintained by the Offeror. In such a case, the investor shall be entitled to collect a confirmation of the acquisition of Covered Bonds from the entity with which the investor placed the subscription order and to deposit the Covered Bonds in the investor's securities account.] / [Considering that registration of Series [x] Covered Bonds will be made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and the entity representing the Issuer (delivery versus payment), the investor shall be required to indicate the securities account for the purpose of settlement of payments and settlement of Covered Bonds.]"