

**Update Notice No. 4
of September 25th 2013
to the Base Prospectus of BRE Bank Hipoteczny S.A.**

In connection with the change of rules of organising and conducting subscription for covered bonds, and the related necessity to adapt the provisions of the Base Prospectus of BRE Bank Hipoteczny S.A., approved by the Polish Financial Supervision Authority on October 28th 2009 (the "Prospectus"), with respect to the entities to whom the offering is addressed and the allotment terms, the following amendments shall be introduced:

1) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 1.1.1 Terms and Conditions relating to Section 1 Terms and Conditions of the Offering (Firm Commitment Underwritten Offering):

- **the existing text:**

[..]

Covered Bonds of each series shall be offered to Invited Investors or Retail Investors, as defined in Section 1.2.1 of this Chapter.

[..]

If Covered Bonds of a given series are offered to Invited Investors in a Firm Commitment Underwritten Offering, a bookbuilding process shall be conducted by the Firm Commitment Underwriter prior to the opening of subscription for the Covered Bonds. Based on the results of the bookbuilding process, the Firm Commitment Underwriter shall determine, in consultation with the Issuer, the final parameters for Covered Bonds of a given series. Based on the results of the bookbuilding process, the Firm Commitment Underwriter shall select a group of investors interested in purchasing Covered Bonds, who will then be invited to participate in the subscription for Covered Bonds of a given series.

[..]

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

[..]

Covered Bonds of each series shall be offered to Invited Investors and Institutional Investors or to Retail Investors, as defined in Section 1.2.1 of this Chapter.

[..]

If Covered Bonds of a given series are offered to Invited Investors and Institutional Investors in a Firm Commitment Underwritten Offering, a bookbuilding process shall be conducted by the Firm Commitment Underwriter prior to the opening of subscription for the Covered Bonds. Based on the results of the bookbuilding process, the Firm Commitment Underwriter shall determine, in consultation with the Issuer, the final parameters for Covered Bonds of a given series. Based on the results of the bookbuilding process, the Firm Commitment Underwriter shall select a group of investors interested in purchasing Covered Bonds, who will then be invited to participate in the subscription for Covered Bonds of a given series.

[..]

2) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 1.1.2 Issue Size relating to Section 1 Terms and Conditions of the Offering (Firm Commitment Underwritten Offering):

- **the existing text:**

[..]

The main criterion for determining the number of Covered Bonds of a given series to be offered to Invited Investors shall be the results of the bookbuilding process, in which investors will declare their interest in buying Covered Bonds at specific levels of the Selling Price or interest rates.

[..]

In the case of both the offering addressed to Invited Investors and the offering addressed to Retail Investors, additional criteria shall also be taken into account in determining the number of Covered Bonds of a given series to be offered. Such additional criteria include the size and quality of the Issuer's loan portfolio, the level of WIBOR/LIBOR/EURIBOR rates (depending on the currency of Covered Bonds), interest rates on interbank deposits, investors' expectations regarding the level of premium on/discount to the Selling Price relative to the redemption price of Covered Bonds, cost of alternative methods of financing for the Issuer's operations, the Issuer's requirement for debt financing, or cost of the public offering. Other criteria may also be considered, including such that may follow from changes in the regulations governing the capital market as well as in the regulations of the Polish FSA, Polish NDS, WSE, BondSpot, etc."

[..]

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

[..]

The main criterion for determining the number of Covered Bonds of a given series to be offered to Invited Investors and Institutional Investors shall be the results of the bookbuilding process, in which investors will declare their interest in buying Covered Bonds at specific levels of the Selling Price or interest rates.

[..]

In the case of both the offering addressed to Invited Investors and Institutional Investors and the offering addressed to Retail Investors, additional criteria shall also be taken into account in determining the number of Covered Bonds of a given series to be

offered. Such additional criteria include the size and quality of the Issuer's loan portfolio, the level of WIBOR/LIBOR/EURIBOR rates (depending on the currency of Covered Bonds), interest rates on interbank deposits, investors' expectations regarding the level of premium on/discount to the Selling Price relative to the redemption price of Covered Bonds, cost of alternative methods of financing for the Issuer's operations, the Issuer's requirement for debt financing, or cost of the public offering. Other criteria may also be considered, including such that may follow from changes in the regulations governing the capital market as well as in the regulations of the Polish FSA, Polish NDS, WSE, BondSpot, etc."
[..]

3) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 1.1.3 Opening and Closing Dates of the Offering and Subscription Procedure relating to Section 1 Terms and Conditions of the Offering (Firm Commitment Underwritten Offering):

- **the existing text:**

- A. Dates and Place of Acceptance of Subscription Orders for Covered Bonds in a Firm Commitment Underwritten Offering

Dates and Place of Acceptance of Subscription Orders for Covered Bonds to Be Acquired by Invited Investors from the Firm Commitment Underwriter

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

- A. Dates and Place of Acceptance of Subscription Orders for Covered Bonds in a Firm Commitment Underwritten Offering

Dates and Place of Acceptance of Subscription Orders for Covered Bonds to Be Acquired by Invited Investors and Institutional Investors from the Firm Commitment Underwriter

4) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 1.1.3 Opening and Closing Dates of the Offering and Subscription Procedure relating to Section 1 Terms and Conditions of the Offering (Firm Commitment Underwritten Offering):

- **the existing text:**

- B. Bookbuilding Process

If the issue of Covered Bonds of a given series is addressed to Invited Investors, the subscription for such Covered Bonds shall be preceded by a bookbuilding process. [...]

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

- B. Bookbuilding Process

If the issue of Covered Bonds of a given series is addressed to Invited Investors and Institutional Investors, the subscription for such Covered Bonds shall be preceded by a bookbuilding process. [...]

5) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 1.1.3 Opening and Closing Dates of the Offering and Subscription Procedure relating to Section 1 Terms and Conditions of the Offering (Firm Commitment Underwritten Offering):

- **the existing text:**

- C. Rules Governing Placement of Subscription Orders for Covered Bonds in a Firm Commitment Underwritten Offering

Rules Governing Placement of Subscription Orders by Invited Investors Purchasing Covered Bonds from the Firm Commitment Underwriter

Subscription orders for Covered Bonds purchased from the Firm Commitment Underwriter shall be accepted from the investors to whom Invitations were sent in accordance with the rules set forth in Section 1.1.3, letter B, of this Chapter.

An investor shall be entitled to place a subscription order for such number of Covered Bonds as specified in the Invitation sent to such an investor and not exceeding the number of Covered Bonds the investor declared to purchase during the bookbuilding process.

Placement by an investor of an order for a number of Covered Bonds lower than specified in the Invitation or payment by the investor for a number of Covered Bonds lower than specified in the Invitation may lead to a situation where the investor will be allotted no Covered Bonds. Nonetheless, the Firm Commitment Underwriter may decide to allot Covered Bonds in the number resulting from the payment made by the investor. If an investor places a subscription order for a number of Covered Bonds greater than specified in the Invitation, such an order shall be treated as an order for the number of the Covered Bonds indicated in the Invitation.

[..]

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

- C. Rules Governing Placement of Subscription Orders for Covered Bonds in a Firm Commitment Underwritten Offering
Rules Governing Placement of Subscription Orders by Invited Investors and Institutional Investors Purchasing Covered Bonds from the Firm Commitment Underwriter

Subscription orders for Covered Bonds purchased from the Firm Commitment Underwriter shall be accepted from the investors to whom Invitations were sent in accordance with the rules set forth in Section 1.1.3, letter B, of this Chapter, and from Institutional Investors.

The investor shall be entitled to place a subscription order for Covered Bonds in the number equal to the number of Covered Bonds specified in the Invitation sent to such an investor and not exceeding the number of Covered Bonds the investor declared to purchase during the bookbuilding process.

Placement by an investor of an order for a number of Covered Bonds lower than specified in the Invitation or payment by the investor for a number of Covered Bonds lower than specified in the Invitation may lead to a situation where the investor will be allotted no Covered Bonds. Nonetheless, the Firm Commitment Underwriter may decide to allot Covered Bonds in the number resulting from the payment made by the investor. If an investor places a subscription order for a number of Covered Bonds greater than specified in the Invitation, such an order shall be treated as an order for the number of the Covered Bonds indicated in the Invitation.

Institutional Investors who did not participate in the bookbuilding process or who participated in bookbuilding process but did not receive the Invitation, may place subscription orders in accordance with general rules, for the minimum number of Covered Bonds specified in the Supplement relating to the given series and not more than the number of Covered Bonds offered by the Firm Commitment Underwriter.

Institutional Investors who, notwithstanding their participation in the bookbuilding process and receiving the Invitation, placed a subscription order for the Covered Bonds in accordance with general rules should familiarize themselves with the Covered Bond allotment rules described in Section 1.1.4 of this Chapter.

[..]

6) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 1.1.3 Opening and Closing Dates of the Offering and Subscription Procedure relating to Section 1 Terms and Conditions of the Offering (Firm Commitment Underwritten Offering):

- **the existing text:**

- C. Rules Governing Placement of Subscription Orders for Covered Bonds in a Firm Commitment Underwritten Offering
Rules Governing Placement of Subscription Orders by Invited Investors Purchasing Covered Bonds from the Firm Commitment Underwriter

[..]

may avoid the legal effect of the subscription by submitting a relevant written statement to one of the Customer Service Points of the investment firm acting as the offeror with respect to the securities, within two business days following the date on which the supplement was made available.

[..]

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

- C. Rules Governing Placement of Subscription Orders for Covered Bonds in a Firm Commitment Underwritten Offering
Rules Governing Placement of Subscription Orders by Invited Investors and Institutional Investors Purchasing Covered Bonds from the Firm Commitment Underwriter

[..]

may avoid the legal effect of the subscription by submitting a relevant written statement to one of the Customer Service Points of the investment firm acting as the offeror with respect to the securities, within such time as specified in the supplement to the Prospectus, but not shorter two business days following the supplement publication date.

[..]

7) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 1.1.3 Opening and Closing Dates of the Offering and Subscription Procedure relating to Section 1 Terms and Conditions of the Offering (Firm Commitment Underwritten Offering):

- **the existing text:**

Rules Governing Placement of Subscription Orders by Retail Investors Purchasing Covered Bonds from the Firm Commitment Underwriter

[..]

may avoid the legal effect of the subscription by submitting a relevant written statement to one of the Customer Service Points of the investment firm acting as the offeror with respect to the securities, within two business days following the date on which the supplement was made available.

[..]

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

Rules Governing Placement of Subscription Orders by Retail Investors Purchasing Covered Bonds from the Firm Commitment Underwriter

[..]

may avoid the legal effect of the subscription by submitting a relevant written statement to one of the Customer Service Points of the investment firm acting as the offeror with respect to the securities, within such time as specified in the supplement to the Prospectus, but not shorter two business days following the supplement publication date.

[..]

8) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 1.1.4 Reduction of Subscription Orders and Return of Overpayments to Investors relating to Section 1 Terms and Conditions of the Offering (Firm Commitment Underwritten Offering):

- **the existing text:**

Invited Investors

Covered Bonds of a given series offered to Invited Investors shall be allotted to investors by the Firm Commitment Underwriter in the number specified in the subscription orders.

If an investor purchasing Covered Bonds from the Firm Commitment Underwriter makes a payment exceeding the amount payable pursuant to the rules contained in this Prospectus, the overpayment shall be returned by the entity with which the subscription order was placed to the account specified by the investor in the subscription order within seven business days from the allotment of Covered Bonds of a given series.

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

Invited Investors and Institutional Investors

If a given series of Covered Bonds is addressed to Invited Investors and Institutional Investors, the Covered Bonds shall first be allotted to those investors who participated in the bookbuilding process and who, acting on the basis of received Invitations, correctly subscribed and paid for Covered Bonds. With respect to those Invited Investors, Covered Bonds shall be allotted in accordance with their subscription orders. Next, at the Firm Commitment Underwriter's discretion, Covered Bonds may be allotted to other investors who correctly subscribed and paid for Covered Bonds.

If an investor purchasing Covered Bonds from the Firm Commitment Underwriter makes a payment exceeding the amount payable pursuant to the rules contained in this Prospectus, the overpayment shall be returned by the entity with which the subscription order was placed to the account specified by the investor in the subscription order within seven business days from the allotment of Covered Bonds of a given series.

9) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 1.1.5 Minimum and Maximum Size of a Subscription Order relating to Section 1 Terms and Conditions of the Offering (Firm Commitment Underwritten Offering):

- **the existing text:**

Covered Bonds Offered to Invited Investors

An Invited Investor may subscribe for the number of Covered Bonds specified in the Invitation sent to such an investor, which shall not exceed the number of Covered Bonds which the investor declared to purchase during the bookbuilding process. There are no limitations as to the number of Covered Bonds which an investor may declare to purchase in a single Declaration during the bookbuilding process, with the proviso that the maximum number of Covered Bonds to be specified in the Declaration may not exceed the total number of Covered Bonds of a given series issued and offered for acquisition.

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

Covered Bond Series Offered to Invited Investors and Institutional Investors

An Invited Investor may subscribe for the number of Covered Bonds specified in the Invitation sent to such an investor, which shall not exceed the number of Covered Bonds which the investor declared to purchase during the bookbuilding process. There are no limitations as to the number of Covered Bonds which an investor may declare to purchase in a single Declaration during the bookbuilding process, with the proviso that the maximum number of Covered Bonds to be specified in the Declaration may not exceed the total number of Covered Bonds of a given series issued and offered for acquisition.

Institutional Investors who did not participate in the bookbuilding process or who participated in bookbuilding process but did not receive the Invitation, may place subscription orders in accordance with general rules, for the minimum number of Covered Bonds specified in the Supplement relating to the given series and not more than the number of Covered Bonds offered by the Firm Commitment Underwriter.

10) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 1.1.6 Time and Manner of Payment; Delivery of Securities relating to Section 1 Terms and Conditions of the Offering (Firm Commitment Underwritten Offering):

- **the existing text:**

A. Payments for Covered Bonds Purchased by Invited Investors from the Firm Commitment Underwriter

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 on the date determined separately for each series of Covered Bonds. Information on the date and form of payment shall be published in the Supplements.

A full payment is understood as the product of the number of Covered Bonds of a given series specified in the Invitation sent to the investor, as referred to in Section 1.1.3, letter B, of this Chapter, and the Selling Price per Covered Bond of that series (equal to the Issue Price of Covered Bonds of that series).

[..]

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

A. Payments for Covered Bonds Purchased by Invited Investors and Institutional Investors from the Firm Commitment Underwriter

Payment for Covered Bonds purchased by Invited Investors and Institutional 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 on the date determined separately for each series of Covered Bonds. Information on the date and form of payment shall be published in the Supplements.

A full payment is understood as the product of the number of Covered Bonds of a given series specified in the Invitation sent to the investor, as referred to in Section 1.1.3, letter B of this Chapter, or the number of Covered Bonds of a given series specified in the Institutional Investor's subscription order form, and the Selling Price per Covered Bond of that series (equal to the Issue Price of Covered Bonds of that series).

[..]

11) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 1.2.1 Investors to whom the Offering is Addressed relating to Section 1 Terms and Conditions of the Offering (Firm Commitment Underwritten Offering):

- **the existing text:**

[..]

Covered Bonds may be acquired from the Firm Commitment Underwriter by one of the following groups of investors:

- Retail Investors, i.e. natural persons, legal persons and their unincorporated organisational units, both residents and non-residents within the meaning of the Foreign Exchange Act.
- Invited Investors, i.e. natural persons, legal persons and their unincorporated organisational units, both residents and non-residents within the meaning of the Foreign Exchange Act, who were invited to place a subscription order for Covered Bonds on the terms and conditions described in this Chapter.

[..]

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

[..]

Covered Bonds may be acquired from the Firm Commitment Underwriter by one of the following groups of investors:

- Retail Investors, i.e. natural persons, legal persons and their unincorporated organisational units, both residents and non-residents within the meaning of the Foreign Exchange Act.
- Invited Investors, i.e. natural persons, legal persons and their unincorporated organisational units, both residents and non-residents within the meaning of the Foreign Exchange Act, who may place a subscription order for Covered Bonds on the terms and conditions described in this Chapter.
- Institutional Investors, i.e. legal persons, both residents and non-residents within the meaning of the Foreign Exchange Act, who may place a subscription order for Covered Bonds on the terms and conditions described in this Prospectus.

[..]

12) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 1.3 Selling Price / Interest Rate on Covered Bonds relating to Section 1 Terms and Conditions of the Offering (Firm Commitment Underwritten Offering):

- **the existing text:**

The main criterion for setting the Selling Price/interest rate on Covered Bonds of a given series as part of an offering addressed to Invited Investors shall be the results of the bookbuilding process in which investors will declare their interest in purchasing Covered Bonds at a specified Selling Price or interest rate.

[..]

In the case of both an offering addressed to Invited Investors and an offering addressed to Retail Investors, additional criteria shall be taken into consideration when setting the Selling Price/interest rate for Covered Bonds of a given series. These will include the size and quality of the Issuer's loan portfolio, WIBOR/LIBOR/EURIBOR rates (depending on the currency of Covered

Bonds), interest rates on interbank deposits, investors' expectations regarding the level of premium on/discount to the Selling Price relative to the redemption price of Covered Bonds, cost of alternative methods of financing of the Issuer's operations, or cost of the public offering. Other criteria may also be considered, including such that may follow from changes in the regulations governing the capital market as well as in the regulations of the Polish FSA, Polish NDS, WSE or BondSpot.
[..]

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

The main criterion for setting the Selling Price/interest rate on Covered Bonds of a given series as part of an offering addressed to Invited Investors and Institutional Investors shall be the results of the bookbuilding process in which investors will declare their interest in purchasing Covered Bonds at a specified Selling Price or interest rate.

[..]

In the case of both an offering addressed to Invited Investors and Institutional Investors and an offering addressed to Retail Investors, additional criteria shall be taken into consideration when setting the Selling Price/interest rate for Covered Bonds of a given series. These will include the size and quality of the Issuer's loan portfolio, WIBOR/LIBOR/EURIBOR rates (depending on the currency of Covered Bonds), interest rates on interbank deposits, investors' expectations regarding the level of premium on/discount to the Selling Price relative to the redemption price of Covered Bonds, cost of alternative methods of financing of the Issuer's operations, or cost of the public offering. Other criteria may also be considered, including such that may follow from changes in the regulations governing the capital market as well as in the regulations of the Polish FSA, Polish NDS, WSE or BondSpot.

[..]

13) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 2.1.1 Terms and Conditions relating to *Section 2* Information on the Terms and Conditions of the Offering (Ordinary Procedure)

- **the existing text:**

[..]

Covered Bonds of each series shall be offered to Invited Investors or Retail Investors, as defined in Section 2.2.1 of this Chapter.

If Covered Bonds of a given series are offered to Invited Investors, the subscription for Covered Bonds may be preceded by a bookbuilding process. Based on the results of the bookbuilding process, the final parameters (price or interest rate) for Covered Bonds of a given series shall be determined and a group of investors declaring interest in purchasing Covered Bonds shall be selected and then invited to participate in the subscription for Covered Bonds of that series.

[..]

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

[..]

Covered Bonds of each series shall be offered to Invited Investors and Institutional Investors or to Retail Investors, as defined in Section 2.2.1 of this Chapter.

If Covered Bonds of a given series are offered to Invited Investors and Institutional Investors, the subscription for Covered Bonds may be preceded by a bookbuilding process. Based on the results of the bookbuilding process, the final parameters (price or interest rate) for Covered Bonds of a given series shall be determined and a group of investors declaring interest in purchasing Covered Bonds shall be selected and then invited to participate in the subscription for Covered Bonds of that series.

[..]

14) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 2.1.2 Issue Size relating to *Section 2* Information on the Terms and Conditions of the Offering (Ordinary Procedure)

- **the existing text:**

[..]

If a bookbuilding process is carried out as part of an offering addressed to Invited Investors, its results shall be the main criterion for determining the number of Covered Bonds of a given series to be offered. Otherwise, the main criterion for determining the number of Covered Bonds of a given series to be offered shall be an assessment of potential demand for non-equity financial instruments and of the rates of return on other capital investment opportunities available to investors on the Polish market.

[..]

In the case of both the offering addressed to Invited Investors and the offering addressed to Retail Investors, additional criteria shall also be taken into account in determining the number of Covered Bonds of a given series to be offered. [...]

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

[..]

If a bookbuilding process is carried out as part of an offering addressed to Invited Investors and Institutional Investors, its results shall be the main criterion for determining the number of Covered Bonds of a given series to be offered. Otherwise, the main criterion for determining the number of Covered Bonds of a given series to be offered shall be an assessment of potential demand for non-equity financial instruments and of the rates of return on other capital investment opportunities available to investors on the Polish market.

[..]

In the case of both the offering addressed to Invited Investors and Institutional Investors and the offering addressed to Retail Investors, additional criteria shall also be taken into account in determining the number of Covered Bonds of a given series to be offered. [...]

15) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 2.1.3 Opening and Closing Dates of the Offering and Subscription Procedure relating to Section 2 Information on the Terms and Conditions of the Offering (Ordinary Procedure):

- **the existing text:**

A. Dates and Place of Acceptance of Subscription Orders for Covered Bonds in an Ordinary Procedure Offering

Dates and Place of Acceptance of Subscription Orders for Covered Bonds to Be Acquired by Invited Investors

[..]

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

A. Dates and Place of Acceptance of Subscription Orders for Covered Bonds in an Ordinary Procedure Offering

Dates and Place of Acceptance of Subscription Orders for Covered Bonds to Be Acquired by Invited Investors and Institutional Investors

[..]

16) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 2.1.3 Opening and Closing Dates of the Offering and Subscription Procedure relating to Section 2 Information on the Terms and Conditions of the Offering (Ordinary Procedure)

- **the existing text:**

B. Bookbuilding Process

If the issue of Covered Bonds of a given series is addressed to Invited Investors, the subscription for such Covered Bonds may be preceded by a bookbuilding process. As part of the process, persons referred to in Section 2.2.1 of this Chapter will be able to submit purchase declarations concerning Covered Bonds.

[..]

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

B. Bookbuilding Process

If the issue of Covered Bonds of a given series is addressed to Invited Investors and Institutional Investors, the subscription for such Covered Bonds may be preceded by a bookbuilding process. As part of the process, persons referred to in Section 2.2.1 of this Chapter will be able to submit purchase declarations concerning Covered Bonds.

[..]

17) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 2.1.3 Opening and Closing Dates of the Offering and Subscription Procedure relating to Section 2 Information on the Terms and Conditions of the Offering (Ordinary Procedure)

- **the existing text:**

C. Rules Governing Placement of Subscription Orders for Covered Bonds in an Ordinary Procedure Offering

Rules Governing Placement of Subscription Orders by Invited Investors

Subscription orders representing the basis for the purchase of Covered Bonds of a given series shall be accepted from the investors to whom Invitations were sent in accordance with the rules set forth in Section 2.1.3, letter B, of this Chapter.

If no bookbuilding process is conducted in an Ordinary Procedure Offering, the Issuer shall send Invitations to Invited Investors in a discretionary manner, i.e. the Issuer shall send Invitations to selected investors to place subscription orders for a number of Covered Bonds of a given series specified by the Issuer.

An investor shall be entitled to place a subscription order for such number of Covered Bonds as specified in the Invitation sent to such an investor and not exceeding the number of Covered Bonds the investor declared to purchase during the bookbuilding process.

Placement by an investor of an order for a number of Covered Bonds lower than specified in the Invitation or payment by an investor for a number of Covered Bonds lower than specified in the Invitation may lead to a situation where the investor will be allotted no Covered Bonds. Nonetheless, the Issuer may decide to allot Covered Bonds to the investor in the number corresponding to the amount paid. If an investor places a subscription order for a number of Covered Bonds greater than specified in the Invitation, such an order shall be treated as an order for the number of the Covered Bonds indicated in the Invitation.

[..]

may avoid the legal effect of the subscription by submitting a relevant written statement to one of the Customer Service Points of the investment firm acting as the offeror with respect to the securities, within two business days following the date on which the supplement was made available.

[..]

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

C. Rules Governing Placement of Subscription Orders for Covered Bonds in an Ordinary Procedure Offering

Rules Governing Placement of Subscription Orders by Invited Investors and Institutional Investors

Subscription orders representing the basis for the purchase of Covered Bonds of a given series shall be accepted from the investors to whom Invitations were sent in accordance with the rules set forth in Section 2.1.3, letter B, of this Chapter, and from Institutional Investors.

If no bookbuilding process is conducted in an Ordinary Procedure Offering, the Issuer shall send Invitations to Invited Investors in a discretionary manner, i.e. the Issuer shall send Invitations to selected investors to place subscription orders for a number of Covered Bonds of a given series specified by the Issuer.

An investor shall be entitled to place a subscription order for such number of Covered Bonds as specified in the Invitation sent to such an investor and not exceeding the number of Covered Bonds the investor declared to purchase during the bookbuilding process.

Placement by an investor of an order for a number of Covered Bonds lower than specified in the Invitation or payment by an investor for a number of Covered Bonds lower than specified in the Invitation may lead to a situation where the investor will be allotted no Covered Bonds. Nonetheless, the Issuer may decide to allot Covered Bonds to the investor in the number corresponding to the amount paid. If an investor places a subscription order for a number of Covered Bonds greater than specified in the Invitation, such an order shall be treated as an order for the number of the Covered Bonds indicated in the Invitation.

Institutional Investors who did not receive the Invitation may, notwithstanding their participation in the bookbuilding process, place subscription orders in accordance with general rules, for the minimum number of Covered Bonds specified in the Supplement relating to the given series and not more than the number of Covered Bonds offered by the Issuer.

Institutional Investors who, notwithstanding their participation in the bookbuilding process and receiving the Invitation, placed a subscription order for the Covered Bonds in accordance with general rules should familiarize themselves with the Covered Bond allotment rules described in Section 2.1.4 of this Chapter.

[..]

may avoid the legal effect of the subscription by submitting a relevant written statement to one of the Customer Service Points of the investment firm acting as the offeror with respect to the securities, within such time as specified in the supplement to the Prospectus, but not shorter two business days following the supplement publication date.

18) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 2.1.3 Opening and Closing Dates of the Offering and Subscription Procedure relating to Section 2 Information on the Terms and Conditions of the Offering (Ordinary Procedure)

- **the existing text:**

C. Rules Governing Placement of Subscription Orders for Covered Bonds in an Ordinary Procedure Offering

Rules Governing Placement of Subscription Orders by Retail Investors

[..]

may avoid the legal effect of the subscription by submitting a relevant written statement to one of the Customer Service Points of the investment firm acting as the offeror with respect to the securities, within two business days following the date on which the supplement was made available.

[..]

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

C. Rules Governing Placement of Subscription Orders for Covered Bonds in an Ordinary Procedure Offering

Rules Governing Placement of Subscription Orders by Retail Investors

[..]

may avoid the legal effect of the subscription by submitting a relevant written statement to one of the Customer Service Points of the investment firm acting as the offeror with respect to the securities, within such time as specified in the supplement to the Prospectus, but not shorter two business days following the supplement publication date.

[..]

19) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 2.1.4 Reduction of Subscription Orders and Return of Overpayments to Investors relating to Section 2 Information on the Terms and Conditions of the Offering (Ordinary Procedure)

- **the existing text:**

Invited Investors

In the case of Covered Bonds of a given series offered to Invited Investors, Covered Bonds shall be allotted to investors by the Issuer in the number specified in the subscription orders.

If an investor purchasing Covered Bonds makes a payment exceeding the amount payable pursuant to the rules contained in this Prospectus, the overpayment shall be returned by the entity with which the subscription order was placed to the account specified by the investor in the subscription order within seven business days from the allotment of Covered Bonds of a given series.

The number of Covered Bonds for which an investor will be entitled to place a subscription order should be equal to the number of Covered Bonds specified in the Invitation sent to such an investor (if a bookbuilding process has been carried out, such number should not exceed the number of Covered Bonds whose purchase the investor proposed in the Declaration). Placement by an investor of an order for a number of Covered Bonds lower than specified in the Invitation or payment by an investor for a number of Covered Bonds lower than specified in the Invitation may lead to a situation where the investor will be allotted no Covered Bonds. Nonetheless, the Issuer may decide to sell Covered Bonds to the investor in the number corresponding to the amount paid. If an investor places a subscription order for a number of Covered Bonds greater than specified in the Invitation, such an order shall be treated as an order for the number of the Covered Bonds indicated in the Invitation.

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

Invited Investors and Institutional Investors

If a given series of Covered Bonds is addressed to Invited Investors and Institutional Investors, the Covered Bonds shall first be allotted to those investors who, acting on the basis of received Invitations, correctly subscribed and paid for Covered Bonds. With respect to those Invited Investors, Covered Bonds shall be allotted in accordance with their subscription orders. Next, at the Issuer's discretion, Covered Bonds may be allotted to other investors who correctly subscribed and paid for Covered Bonds.

If an investor purchasing Covered Bonds makes a payment exceeding the amount payable pursuant to the rules contained in this Prospectus, the overpayment shall be returned by the entity with which the subscription order was placed to the account specified by the investor in the subscription order within seven business days from the allotment of Covered Bonds of a given series.

The number of Covered Bonds for which an Invited Investor will be entitled to place a subscription order should be equal to the number of Covered Bonds specified in the Invitation sent to such an investor (if a bookbuilding process has been carried out, such number should not exceed the number of Covered Bonds whose purchase the investor proposed in the Declaration). Placement by an investor of an order for a number of Covered Bonds lower than specified in the Invitation or payment by an investor for a number of Covered Bonds lower than specified in the Invitation may lead to a situation where the investor will be allotted no Covered Bonds. Nonetheless, the Issuer may decide to allot Covered Bonds to the investor in the number corresponding to the amount paid. If an investor places a subscription order for a number of Covered Bonds greater than specified in the Invitation, such an order shall be treated as an order for the number of the Covered Bonds indicated in the Invitation.

20) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 2.1.5 Minimum and Maximum Size of a Subscription Order relating to Section 2 Information on the Terms and Conditions of the Offering (Ordinary Procedure)

- **the existing text:**

Covered Bonds Offered to Invited Investors

An Invited Investor shall be obliged to subscribe for the number of Covered Bonds specified in the Invitation sent to such an investor, which shall not exceed the number of Covered Bonds of a given series to be issued and offered for acquisition (if a bookbuilding process has been carried out, such number shall not exceed the number of Covered Bonds whose purchase the investor proposed in the Declaration). During the bookbuilding process there are no limitations as to the number of Covered Bonds which an investor may declare to purchase in a single Declaration, with the proviso that the maximum number of Covered Bonds to be specified in the Declaration may not exceed the total number of Covered Bonds of a given series issued and offered for acquisition.

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

Covered Bond Series Offered to Invited Investors and Institutional Investors

An Invited Investor shall be obliged to subscribe for the number of Covered Bonds specified in the Invitation sent to such an investor, which shall not exceed the number of Covered Bonds which the investor declared to purchase during the bookbuilding process. There are no limitations as to the number of Covered Bonds which an investor may declare to purchase in a single Declaration during the bookbuilding process, with the proviso that the maximum number of Covered Bonds to be specified in the Declaration may not exceed the total number of Covered Bonds of a given series issued and offered for acquisition.

Institutional Investors who did not participate in the bookbuilding process, or who participated in bookbuilding process but did not receive the Invitation, may place subscription orders in accordance with general rules, for the minimum number of Covered

Bonds specified in the Supplement relating to the given series and not more than the number of Covered Bonds offered by the Issuer.

21) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 2.1.6 *Time and Manner of Payment; Delivery of Securities* relating to Section 2 Information on the Terms and Conditions of the Offering (Ordinary Procedure)

- **the existing text:**

A. Payments for Covered Bonds Purchased by Invited Investors

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 on the date determined separately for each series of Covered Bonds. Information on the date and form of payment shall be published in the Supplements.

A full payment is understood as the product of the number of Covered Bonds of a given series specified in the Invitation sent to the investor, as referred to in Section 2.1.3, letter B, of this Chapter, and the price per Covered Bond of that series for which the Covered Bonds will be purchased by the investor (equal to the issue price of Covered Bonds of that series).

[..]

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

A. Payments for Covered Bonds Purchased by Invited Investors and Institutional Investors

Payment for Covered Bonds purchased by Invited Investors and Institutional 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 on the date determined separately for each series of Covered Bonds. Information on the date and form of payment shall be published in the Supplements.

A full payment is understood as the product of the number of Covered Bonds of a given series specified in the Invitation sent to the investor, as referred to in Section 2.1.3, letter B, of this Chapter, or the number of Covered Bonds of a given series specified in the Institutional Investor's subscription order form, and the price per Covered Bond of that series for which the Covered Bonds will be purchased by the investor (equal to the issue price of Covered Bonds of that series).

[..]

22) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 2.2 *Rules of Distribution and Allotment* relating to Section 2 Information on the Terms and Conditions of the Offering (Ordinary Procedure)

- **the existing text:**

2.2.1 Investors to whom the Offering is Addressed

Investors entitled to purchase Covered Bonds in the Ordinary Procedure Offering are:

- Retail Investors, i.e. natural persons, legal persons and their unincorporated organisational units, both residents and non-residents within the meaning of the Foreign Exchange Act.
- Invited Investors, i.e. natural persons, legal persons and their unincorporated organisational units, both residents and non-residents within the meaning of the Foreign Exchange Act, who were invited to place a subscription order for Covered Bonds on the terms and conditions described in this Chapter.

[..]

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

2.2.1 Investors to whom the Offering is Addressed

Investors entitled to purchase Covered Bonds in the Ordinary Procedure Offering are:

- Retail Investors, i.e. natural persons, legal persons and their unincorporated organisational units, both residents and non-residents within the meaning of the Foreign Exchange Act.
- Invited Investors, i.e. natural persons, legal persons and their unincorporated organisational units, both residents and non-residents within the meaning of the Foreign Exchange Act, who may place a subscription order for Covered Bonds on the terms and conditions described in this Chapter.
- Institutional Investors, i.e. legal persons, both residents and non-residents within the meaning of the Foreign Exchange Act, who may place a subscription order for Covered Bonds on the terms and conditions described in this Prospectus.

[..]

23) In Chapter XVII. TERMS AND CONDITIONS OF THE OFFERING; ADMISSION TO TRADING of the Prospectus, in Section 2.3 Issue Price / Interest Rate on Covered Bonds relating to Section 2 Information on the Terms and Conditions of the Offering (Ordinary Procedure)

- **the existing text:**

[..]

If a bookbuilding process is carried out as part of an offering addressed to Invited Investors, its results shall be the main criterion for determining the Issue Price / interest rate on Covered Bonds of a given series.

[..]

In the case of both an offering addressed to Invited Investors and an offering addressed to Retail Investors, additional criteria shall be taken into consideration when setting the Issue Price/interest rate for Covered Bonds of a given series.

[..]

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

[..]

If a bookbuilding process is carried out as part of an offering addressed to Invited Investors and Institutional Investors, its results shall be the main criterion for determining the Issue Price / interest rate on Covered Bonds of a given series.

[..]

In the case of both an offering addressed to Invited Investors and Institutional Investors and an offering addressed to Retail Investors, additional criteria shall be taken into consideration when setting the Issue Price/interest rate for Covered Bonds of a given series.

[..]

24) In Chapter XX. Definitions

- **the following definition shall be added:**

Institutional Investor

Legal persons, both residents and non-residents within the meaning of the Foreign Exchange Act, who may place a subscription order for Covered Bonds on the terms and conditions described in this Prospectus.

25) In Chapter XXI Appendices, Supplement,

- **the existing Section headings:**

Offering addressed to Invited Investors

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

Offering addressed to Invited Investors and Institutional Investors

26) In Chapter XXI Appendices, Supplement, Section 7.1.2 Opening and Closing Dates of the Offering and Subscription Procedure of the Supplement to the Prospectus, with respect to: B. Rules Governing Placement of Subscription Orders for Covered Bonds, Offering addressed to Invited Investors and Institutional Investors

- **the existing text:**

The investor shall be entitled to place a subscription order for Covered Bonds in the number equal to the number of Covered Bonds specified in the Invitation sent to such an investor and not exceeding the number of Covered Bonds the investor declared to purchase during the bookbuilding process.

Placement by an investor of an order for a number of Covered Bonds lower than specified in the Invitation or payment by the investor for a number of Covered Bonds lower than specified in the Invitation may lead to a situation where the investor will be allotted no Covered Bonds. Nonetheless, the Firm Commitment Underwriter may decide to allot Covered Bonds in the number resulting from the payment made by the investor. If an investor places a subscription order for a number of Covered Bonds greater than specified in the Invitation, such an order shall be treated as an order for the number of the Covered Bonds indicated in the Invitation.

[..]

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

The investor shall be entitled to place a subscription order for Covered Bonds in the number equal to the number of Covered Bonds specified in the Invitation sent to such an investor and not exceeding the number of Covered Bonds the investor declared to purchase during the bookbuilding process.

Placement by an investor of an order for a number of Covered Bonds lower than specified in the Invitation or payment by the investor for a number of Covered Bonds lower than specified in the Invitation may lead to a situation where the investor will be

allotted no Covered Bonds. Nonetheless, the Firm Commitment Underwriter may decide to allot Covered Bonds in the number resulting from the payment made by the investor. If an investor places a subscription order for a number of Covered Bonds greater than specified in the Invitation, such an order shall be treated as an order for the number of the Covered Bonds indicated in the Invitation.

Institutional Investors who did not participate in the bookbuilding process, or who participated in bookbuilding process but did not receive the Invitation, may place subscription orders in accordance with general rules, for the minimum number of [●] Covered Bonds and not more than the number of Covered Bonds offered by the Firm Commitment Underwriter.

Institutional Investors who, notwithstanding their participation in the bookbuilding process and obtaining an Invitation, placed a subscription order for the Covered Bonds in accordance with general rules, should familiarize themselves with the Covered Bond allotment rules described in this Supplement.

[..]

27) In Chapter XXI Appendices, Supplement, Section 7.1.2 *Opening and Closing Dates of the Offering and Subscription Procedure of the Supplement to the Prospectus, with respect to: B. Rules Governing Placement of Subscription Orders for Covered Bonds*, Offering addressed to Invited Investors and Institutional Investors

- **the existing text:**

[..]

The form of a subscription order for Covered Bonds purchased from the Firm Commitment Underwriter shall be provided by the entity offering Covered Bonds, i.e., depending on what is provided for in the Supplement, both or one of the Offerors, during the subscription period.

[..]

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

[..]

The form of a subscription order for Covered Bonds purchased from the Firm Commitment Underwriter shall be available from the entity offering the Covered Bonds of a given series.

[..]

28) In Chapter XXI Appendices, Supplement, Section 7.1.2 *Opening and Closing Dates of the Offering and Subscription Procedure of the Supplement to the Prospectus, with respect to: B. Rules Governing Placement of Subscription Orders for Covered Bonds*, Offering addressed to Invited Investors and Institutional Investors/ *Offering addressed to Retail Investors*

- **the existing text:**

[..]

may avoid the legal effect of the subscription by submitting a relevant written statement to one of the Customer Service Points of the investment firm acting as the offeror with respect to the securities, within two business days following the date on which the supplement was made available.

[..]

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

[..]

may avoid the legal effect of the subscription by submitting a relevant written statement to one of the Customer Service Points of the investment firm acting as the offeror with respect to the securities, within such time as specified in the supplement to the Prospectus, but not shorter two business days following the supplement publication date.

[..]

29) In Chapter XXI Appendices, Supplement, Section 7.1.3 *Reduction of Subscription Orders and Return of Overpayments to Investors*, Offering addressed to Invited Investors and Institutional Investors

- **the existing text:**

Covered Bonds of a given series shall be allotted to Institutional Investors by the Firm Commitment Underwriter in the number specified in the subscription orders.

If an investor purchasing Series [●] Covered Bonds from the Firm Commitment Underwriter makes a payment exceeding the amount payable pursuant to the rules contained in this Supplement, the overpayment shall be returned by the entity with which the investor placed the subscription order to the account specified by the investor in the subscription order within seven business days from the allotment date of a given series.

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

The Series [●] Covered Bonds shall first be allotted to those investors who participated in the bookbuilding process and, acting on the basis of received Invitations, correctly subscribed and paid for Series [●] Covered Bonds. With respect to those Invited Investors, Series [●] Covered Bonds shall be allotted in accordance with the subscription orders. Next, at the Firm Commitment Underwriter's discretion, Series [●] Covered Bonds may be allotted to other investors who correctly subscribed and paid for Covered Bonds.

If an investor purchasing Series [●] Covered Bonds from the Firm Commitment Underwriter makes a payment exceeding the amount payable pursuant to the rules contained in this Prospectus, the overpayment shall be returned by the entity with which the subscription order was placed to the account specified by the investor in the subscription order within seven business days from the allotment of Covered Bonds of a given series.

30) In Chapter XXI Appendices, Supplement, Section 7.1.4 *Minimum and Maximum Size of a Subscription Order, Offering addressed to Invited Investors and Institutional Investors*

- **the existing text:**

An Invited Investor shall be obliged to subscribe for the number of Covered Bonds specified in the Invitation sent to such an investor, which shall not exceed the number of Covered Bonds which the investor declared to purchase during the bookbuilding process.

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

An Invited Investor may subscribe for the number of Covered Bonds specified in the Invitation sent to such an investor, which shall not exceed the number of Covered Bonds which the investor declared to purchase during the bookbuilding process. Institutional Investors who did not participate in the bookbuilding process, or who participated in bookbuilding process but did not receive the Invitation, may place subscription orders in accordance with general rules, for the minimum number of [●] Covered Bonds and not more than the number of Covered Bonds offered by the Firm Commitment Underwriter.

31) In Chapter XXI Appendices, Supplement, Section 7.1.5 *Time and Manner of Payment; Delivery of Securities, Offering addressed to Invited Investors and Institutional Investors*

- **the existing text:**

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 is understood as the product of the number of Covered Bonds issued in a given series and specified in the Invitation sent to the investor, and the Selling Price per Series [●] Covered Bond.

[..]

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

Payment for Covered Bonds purchased by Invited Investors and Institutional 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 is understood as the product of the number of Series [●] Covered Bonds specified in the Invitation sent to the investor, or the number of Series [●] Covered Bonds of a given series specified in the Institutional Investor's subscription order form, and the Selling Price per Series [●] Covered Bond.

[..]

32) In Chapter XXI Appendices, Supplement, Section 7.1.7 *Investors to whom the Offering is Addressed, Offering addressed to Invited Investors and Institutional Investors*

- **the existing text:**

[..]

- Invited Investors, i.e. natural persons, legal persons and their unincorporated organisational units, both residents and non-residents within the meaning of the Foreign Exchange Act, invited to place a subscription order for Covered Bonds on the terms and conditions described in the Prospectus.

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

[..]

- Invited Investors, i.e. natural persons, legal persons and their unincorporated organisational units, both residents and non-residents within the meaning of the Foreign Exchange Act, who may place a subscription order for Covered Bonds on the terms and conditions described in the Prospectus.

- Institutional Investors, i.e. legal persons, both residents and non-residents within the meaning of the Foreign Exchange Act, who may place a subscription order for Covered Bonds on the terms and conditions described in this Prospectus.

33) In Chapter XXI Appendices, Supplement, Section 8.1.2 Opening and Closing Dates of the Offering and Subscription Procedure of the Supplement to the Prospectus, with respect to: B. Rules Governing Placement of Subscription Orders for Covered Bonds, Offering addressed to Invited Investors and Institutional Investors

- **the existing text:**

Subscription orders for Series [●] Covered Bonds shall be accepted from the investors to whom Invitations were sent in accordance with the rules set forth in Section 1.1.3. letter B of the Base Prospectus.

[..]

Placement by an investor of an order for a number of Covered Bonds lower than specified in the Invitation or payment by an investor for a number of Covered Bonds lower than specified in the Invitation may lead to a situation where the investor will be allotted no Covered Bonds. Nonetheless, the Issuer may decide to allot Covered Bonds to the investor in the number corresponding to the amount paid. If an investor places a subscription order for a number of Covered Bonds greater than specified in the Invitation, such an order shall be treated as an order for the number of the Covered Bonds indicated in the Invitation.

[..]

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

Subscription orders for Series [●] Covered Bonds shall be accepted from the investors to whom Invitations were sent and from Institutional investors, in accordance with the rules set forth in Chapter XVII, Section 2.1.3. letter B and C of the Base Prospectus.

[..]

Placement by an investor of an order for a number of Covered Bonds lower than specified in the Invitation or payment by an investor for a number of Covered Bonds lower than specified in the Invitation may lead to a situation where the investor will be allotted no Covered Bonds. Nonetheless, the Issuer may decide to allot Covered Bonds to the investor in the number corresponding to the amount paid. If an investor places a subscription order for a number of Covered Bonds greater than specified in the Invitation, such an order shall be treated as an order for the number of the Covered Bonds indicated in the Invitation.

Institutional Investors who did not participate in the bookbuilding process, or who participated in bookbuilding process but did not receive the Invitation, may place subscription orders in accordance with general rules, for the minimum number of [●] Covered Bonds and not more than the number of Covered Bonds offered by the Issuer.

Institutional Investors who, notwithstanding their participation in the bookbuilding process and obtaining an Invitation, placed a subscription order for the Covered Bonds in accordance with general rules, should familiarize themselves with the Covered Bond allotment rules described in this Supplement.

[..]

34) In Chapter XXI Appendices, Supplement, Section 8.1.2 Opening and Closing Dates of the Offering and Subscription Procedure of the Supplement to the Prospectus, with respect to: B. Rules Governing Placement of Subscription Orders for Covered Bonds, Offering addressed to Invited Investors and Institutional Investors

- **the existing text:**

[..]

The form of a subscription order for Covered Bonds shall be provided during the subscription period.

[..]

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

[..]

The form of a subscription order for Covered Bonds shall be available from the entity offering the Covered Bonds of a given series.

[..]

35) In Chapter XXI Appendices, Supplement, Section 8.1.2 Opening and Closing Dates of the Offering and Subscription Procedure of the Supplement to the Prospectus, with respect to: B. Rules Governing Placement of Subscription Orders for Covered Bonds, Offering addressed to Invited Investors and Institutional Investors/ Offering addressed to Retail Investors

- **the existing text:**

[..]

may avoid the legal effect of the subscription by submitting a relevant written statement to one of the Customer Service Points of the investment firm acting as the offeror with respect to the securities, within two business days following the date on which the supplement was made available.

[..]

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

[..]

may avoid the legal effect of the subscription by submitting a relevant written statement to one of the Customer Service Points of the investment firm acting as the offeror with respect to the securities, within such time as specified in the supplement to the Prospectus, but not shorter two business days following the supplement publication date.

[..]

36) In Chapter XXI Appendices, Supplement, Section 8.1.3 *Reduction of Subscription Orders and Return of Overpayments to Investors*, Offering addressed to Invited Investors and Institutional Investors

- **the existing text:**

If a given series of Covered Bonds is offered to Invited Investors, Covered Bonds shall be allotted to investors by the Issuer in the number specified in the subscription orders.

If an investor purchasing Series [●] Covered Bonds makes a payment exceeding the amount payable pursuant to the rules contained in this Prospectus, the overpayment shall be returned by the entity with which the investor placed the subscription order to the account specified by the investor in the subscription order within seven business days from the allotment date.

The number of Covered Bonds for which an investor will be entitled to place a subscription order should be equal to the number of Covered Bonds specified in the Invitation sent to such an investor [such number shall not exceed the number of Covered Bonds whose purchase the investor proposed in the Declaration]. Placement by an investor of an order for a number of Covered Bonds lower than specified in the Invitation or payment by an investor for a number of Covered Bonds lower than specified in the Invitation may lead to a situation where the investor will be allotted no Covered Bonds. Nonetheless, the Issuer may decide to allot Covered Bonds to the investor in the number corresponding to the amount paid. If an investor places a subscription order for a number of Covered Bonds greater than specified in the Invitation, such an order shall be treated as an order for the number of the Covered Bonds indicated in the Invitation.

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

The Series [●] Covered Bonds shall first be allotted to those investors who participated in the bookbuilding process and, acting on the basis of received Invitations, correctly subscribed and paid for Series [●] Covered Bonds. With respect to those Invited Investors, Series [●] Covered Bonds shall be allotted in accordance with the subscription orders. Next, at the Issuer's discretion, Series [●] Covered Bonds may be allotted to other investors who correctly subscribed and paid for Covered Bonds.

If an investor purchasing Series [●] Covered Bonds from the Issuer makes a payment exceeding the amount payable pursuant to the rules contained in this Prospectus, the overpayment shall be returned by the entity with which the subscription order was placed to the account specified by the investor in the subscription order within seven business days from the allotment of Covered Bonds of a given series.

The number of Covered Bonds for which an investor will be entitled to place a subscription order should be equal to the number of Covered Bonds specified in the Invitation sent to such an investor [such number shall not exceed the number of Covered Bonds whose purchase the investor proposed in the Declaration]. Placement by an investor of an order for a number of Covered Bonds lower than specified in the Invitation or payment by an investor for a number of Covered Bonds lower than specified in the Invitation may lead to a situation where the investor will be allotted no Covered Bonds. Nonetheless, the Issuer may decide to allot Covered Bonds to the investor in the number corresponding to the amount paid. If an investor places a subscription order for a number of Covered Bonds greater than specified in the Invitation, such an order shall be treated as an order for the number of the Covered Bonds indicated in the Invitation.

Institutional Investors who did not participate in the bookbuilding process, or who participated in bookbuilding process but did not receive the Invitation, may place subscription orders in accordance with general rules, for the minimum number of [●] Covered Bonds and not more than the number of Covered Bonds offered by the Issuer.

37) In Chapter XXI Appendices, Supplement, Section 8.1.4 *Minimum and Maximum Size of a Subscription Order*, Offering addressed to Invited Investors and Institutional Investors

- **the existing text:**

An Invited Investor shall be entitled to subscribe for the number of Covered Bonds specified in the Invitation sent to such an investor, which shall not exceed the number of Series [●] Covered Bonds issued and offered for purchase [This number shall not exceed the number of Covered Bonds the investor proposed to purchase in the Declaration.]

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

An Invited Investor shall be able to subscribe for the number of Covered Bonds specified in the Invitation sent to such an investor, which shall not exceed the number of Series [●] Covered Bonds issued and offered for purchase [This number shall not exceed the number of Covered Bonds the investor proposed to purchase in the Declaration.]

Institutional Investors who did not participate in the bookbuilding process, or who participated in bookbuilding process but did not receive the Invitation, may place subscription orders in accordance with general rules, for the minimum number of [●] Covered Bonds and not more than the number of Covered Bonds offered by the Issuer.

38) In Chapter XXI Appendices, Supplement, Section 8.1.5 *Time and Manner of Payment; Delivery of Securities*, Offering addressed to Invited Investors and Institutional Investors

- **the existing text:**

Payment for Covered Bonds purchased by the 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 by the Issuer and the Investor], in a manner ensuring that the payment is credited to the account of the entity accepting 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.

[..]

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

Payment for Covered Bonds purchased by Invited Investors and Institutional Investors should be made in full, in [PLN / EUR/ USD] [or in PLN, 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 for Series [●] Covered Bonds by [●] on [●].

A full payment is understood as the product of the number of Series [●] Covered Bonds specified in the Invitation sent to the investor, or the number of Series [●] Covered Bonds of a given series specified in the Institutional Investor's subscription order form, and the Selling Price per Series [●] Covered Bond.

[..]

For BRE Bank Hipoteczny S.A.