

STATUTE OF GRUPA LOTOS S.A.

consolidated text

*including amendments implemented under the Resolutions no. 4 and 5
of the Extraordinary General Assembly of August 8th 2011*

§ 1

General Provisions

1. The Company was established following the transformation of the state-owned company named Gdanskie Zakłady Rafineryjne with company seat in Gdansk under the terms defined in regulations on the privatization of the state-owned companies.
2. The company was established by the State Treasury.
3. The company operates under the business name: Grupa LOTOS Spolka Akcyjna.
The Company may use an abridged business name: Grupa LOTOS S.A.
4. At exercising rights and obligations as a parent company towards the subsidiary companies, the authorities of the Company shall abide by the following provisions:
 - the Company shall prepare consolidated financial statement apart from the Company's own statement and follow the procedure provided for by the law.
 - the contracts or statute of the subsidiary companies, including the type of existing or planned business activity, shall contain provisions defining rights and obligations of the company authorities in such manner so that the said authorities do not have broader rights to assume obligations or exercise rights than the Management Board of the parent company.

§ 2

Company seat and territory of operation

1. The registered seat of the Company is the city of Gdansk.
2. The Company operates on the territory of the Republic of Poland and abroad.

§ 3

Objects of the Company

1. Company scope of objects, in accordance with the Polish Classification of Business Activities (PKD) includes:
 1. Mining of crude oil and natural gas (PKD 06),
 2. Service activities related to exploitation of deposits of crude oil and natural gas (PKD 09.1),
 3. Other printing (PKD 18.12),
 4. Manufacture and processing of coke and products of crude oil refining (PKD 19),
 5. Production of technical gases (PKD 20.11),
 6. Production of other basic inorganic chemicals (PKD 20.13),
 7. Production of other basic organic chemicals (PKD 20.14),
 8. Manufacture of plastics in basic forms (PKD 20.16),
 9. Manufacture of plastic packaging (PKD 22.22),
 10. Manufacture of metal containers (PKD 25.91),
 11. Repair and maintenance of metal ready products (PKD 33.11),
 12. Repair and maintenance of machines (PKD 33.12),
 13. Repair and maintenance of electric equipment (PKD 33.14),
 14. Mounting of industrial machinery, equipment and fittings (PKD 33.2),
 15. Production and supply of electric energy, gas, steam, hot water and air to air conditioning systems (PKD 35),
 16. Uptake, treatment and supply of water (PKD 36),
 17. Sewage disposal and wastewater treatment (PKD 37),
 18. Operations related to collection, processing and utilisation of wastes; wastewater reclamation (PKD 38),

19. operations related to recultivation and other services related to wastewater management (PKD 39),
20. works related to construction of pipeline, telecommunication lines and energetic lines (PKD 42.2),
21. general civil works related to linear distributors: pipelines, electrical power lines and telecommunication lines (PKD 43.2),
22. other specialist civil engineering works, elsewhere not classified (PKD 43.99),
23. operation of agents dealing with sale of fuels, crude oils, metals and industrial chemicals (PKD 46.12),
24. wholesale of fuels and their derivatives (PKD 46.71),
25. Wholesale of chemical products (PKD 46.75),
26. Non-specialist wholesale (PKD 46.9),
27. Retail sale of fuels to motor vehicles on gasoline stations (PKD 47.3),
28. Other retail sale carried out outside the chain of shops, stands or market places (PKD 47.99),
29. Rail transport of goods (PKD 49.2),
30. Road transport of goods (PKD 49.41),
31. Pipeline transport (PKD 49.5),
32. Sea and inshore transport of goods (PKD 50.2)
33. Goods storage (PKD 52.1),
34. Services supporting land transport (PKD 52.21),
35. Services supporting water transport (PKD 52.22),
36. Services supporting air transport (PKD 52.23),
37. Goods handling (PKD 52.24),
38. Publishing of books and periodicals and other publishing operations, excluding software services (PKD 58.1),
39. Publishing of other software (PKD 58.29),
40. Operations related to wire telecommunication (PKD 61.1),
41. Operations related to other telecommunication (PKD 61.9),
42. Operations related to software and consulting services in the scope of computer sciences and related operations (PKD 62),
43. Data processing, managing internet web hosting and other similar activities; activities related to web pages (PKD 63.1),

44. Other services related to information, elsewhere not classified (PKD 63.99),
45. Other financial services, elsewhere not classified, excluding insurance policies and pension funds (PKD 64.99),
46. Broker activities related to securities market and stock exchange commodities (PKD 66.12),
47. Other activities supporting financial services, excluding insurance policies and pension funds (PKD 66.19),
48. Purchase and sale of real properties on own account (PKD 68.1),
49. Rent and management of properties on own account (PKD 68.2),
50. Accounting activities, tax consultancy (PKD 69.2),
51. Activities of head offices, consulting activities related to managing (PKD 70),
52. Consulting activities related to engineering and technical consulting services related to it 9PKD 71.12),
53. Research and technical analyses (PKD 71.2),
54. Scientific research and development works in the field of natural sciences and technical sciences (PKD 72.19),
55. Advertising, opinion polls and surveys (PKD 73),
56. Activities related to specialist design (PKD 74.1),
57. Other professional activities, scientific research and technical operations, elsewhere not classified (PKD 74.9),
58. Lease and hire of motor vehicles, excluding motorcycles (PKD 77.1),
59. Lease and hire of construction machines and equipment (PKD 77.32),
60. Lease and hire of machines and office equipment, including computers (PKD 77.33)
61. Lease and hire of water transportation means (PKD 77.34),
62. Lease and hire of other machines, pieces of equipment and material interest, elsewhere not classified (PKD 77.39),
63. Lease of intellectual property and similar products, excluding copyright works (PKD 77.4),
64. Activities related to finding workplaces and enrolment of employees (PKD 78.1),
65. Other activities related to making the employees available for work (PKD 78.3),

66. Detective and security activities (PKD 80),
 67. Services related to maintaining tidiness in buildings and greens management (PKD 81),
 68. Activities to office administration, excluding supposing office activities (PKD 82.1),
 69. Call center activities (PKD 82.2),
 70. Activities related to packaging (PKD 82.92),
 71. Other activities supporting carrying out business activity, elsewhere not classified (PKD 82.99),
 72. Fire protection activity (PKD 84.25),
 73. Extramural education programs, elsewhere not classified (PKD 85.59),
 74. Repair and maintenance of computers and telecommunication system (PKD 95.1).
2. Business activity requiring licences or permits according to separate regulations may be carried out by the Company on obtaining such a permit or a licence.
 3. The Company may take up any legal activities and operations permitted by law with the reservation of provisions of this Statute.

§ 4

Company's share capital and bonds

1. The Company's share capital amounts to PLN 129,873,362.00 (in words: one hundred twenty nine million eight hundred seventy three thousand three hundred sixty-two PLN) and is divided into: 129,873,362 (in words: one hundred twenty nine million eight hundred seventy three thousand three hundred sixty-two) shares of nominal value PLN 1.00 (one) PLN each share, including:
 - 1) 78,700,000 (in words: seventy eight million seven hundred thousand) ordinary registered shares "A" series, bearing numbers from A-00000001 to A-78700000,
 - 2) 35,000,000 (in words: thirty five million) common bearer's shares "B" series, bearing numbers from B-00000001 to B-35000000 and
 - 3) 16,173,362 (in words: sixteen million one hundred seventy three thousand three hundred sixty-two) common bearer's shares "C" series, bearing numbers from C-00000001 to C-16173362 .

2. Registered shares may, at the request of a shareholder, be transformed into the bearer's shares on condition that the shareholder empowers the Management Board to deposit the bearer's shares. Irrespectively of the above stipulation change of the registered shares into bearer's shares onto dematerialized bearer's shares, as a result of admitting Company's shares to public trading in securities does not require from the Management Board any authority to deposit the shares. Bearer's shares are not transferable into the registered shares.
3. Appreciation of the Company's share capital may occur by way of the resolution of the General Assembly by issue of new shares, or the increase of the nominal value of existing shares. Share capital may be also increased from the Company's resources on conditions stipulated in the Commercial Companies Code.

§ 5

Redemption of shares

Company's shares may be redeemed. Redemption of a share requires a resolution of the General Assembly, and is carried out under conditions specified in this resolution. The Company may, under the resolution of the General Assembly purchase its own shares for the purpose of redemption.

§ 6

Company's Supplementary capital and reserve capital

1. Supplementary capital is created from profit write-offs. Annual amounts written off for the purpose of supplementary capital may not be lower than 8 % (eight percent) of the annual profit. Write-offs may be abandoned when they exceed the value of one-third of share capital. Supplementary capital is accumulated for the purpose of coverage of balance losses which might occur as a result of Company operations and to increase share capital.
2. Under the Resolution of the General Assembly the Company may form and create and dissolve earmarked funds, including reserve funds.

§ 7

Profit Designation

1. The profit of the Company shall be used for payment of dividends, creation of capitals and Company funds and for other purposes in accordance with the regulations specified by the General Assembly.
2. The dividend day shall be set by the General Assembly.
3. The dividend is paid on the day specified in the Resolution of the General Assembly. If the resolution of such General Assembly does not specify such a day, this dividend is paid on the day specified by the Supervisory Board.
4. The Management Board is entitled to make a resolution concerning the advance payment on estimated end-year dividend to the shareholders if the Company has sufficient assets.
5. The Company may decide on advance payment on estimated end-year dividend, if its approved financial statement for the previous trading year indicates profit. The advance payment may constitute of no more than a half of the profit made from the end of the previous trading year, included in the financial statement and approved by the chartered auditor, plus the reserve capitals made of the profit, managed by the Management Board for the purposes of advance payment, minus the uncovered losses and treasury shares.

§ 8

General Assembly

1. General Assembly is held at the company's seat.
2. The Board convenes General Assembly in cases foreseen in the Company Statute or according to provisions of the Commercial Companies Code.
3. Ordinary General Assembly should be held not later than within six months upon the end of the fiscal year.
4. Ordinary and Extraordinary General Assembly is convened by the Management Board upon its own initiative. The Supervisory Board may convene Ordinary General Assembly if the Management Board does not convene it in the time specified in § 8 sec. 3 of the Statute of the Company.
5. Extraordinary General Assembly is convened by the Management Board upon its own initiative. The Supervisory Board may convene the Extraordinary General Assembly if it deems it necessary. Extraordinary General Assembly may also be convened by the shareholders representing at least half of the share capital of the Company or at least half of votes in the Company.
6. A shareholder or shareholders representing at least one-twentieth of the equity may request convening Extraordinary General Assembly and putting on the agenda of this Extraordinary General Assembly several issues. Request for convening Extraordinary General Assembly shall be lodged to the Company Management Board in a written form or via mail. If within two weeks of the day of lodging such request to the Management Board, Extraordinary General Assembly has not been convened, the Court of Registry may entitle to convene such Extraordinary General Assembly these shareholders who had filed such request.

7. General Assembly is convened by an announcement on the Company web site and by the manner specified as suitable for conveying current information in accordance with the regulations on public offers and conditions of implementing financial instruments into the organized turnover system and the public companies. Such announcement shall be placed on at least twenty six days prior to the scheduled term of the General Assembly.
8. General Assembly approves the regulations specifying debate rules and manner of adopting resolutions.

§ 9

General Assembly Competencies

General Assembly in particular decides about:

1. considering and approving of the annual financial statement of the Company, annual report of the Company's activities as well as consolidated balance of the capital group and a report of the capital group activities within the previous financial year,
2. giving a discharge to the Company Management Board and Supervisory Board for fulfillment of their duties,
3. division of profit and coverage of loss, as well as other ways of allocation of funds from profits, with the reservation of regulations which otherwise regulate use of such funds,
4. appointing and dismissing Supervisory Board members and setting up the rules on Supervisory Board members remuneration,
5. increase or decrease of share capital,
6. any matters related to claims for redress of damage caused upon establishment of the Company, managing the Company or exercising supervision,
7. disposal or tenancy of the enterprise or its organized part and the creation of a limited right in rem over them,
8. giving consent to acquire real estate, right of perpetual usufruct or a share in real estate of the value exceeding PLN 5,000,000.00 specified in accordance with the expert opinion and giving consent to dispose of a real estate, perpetual usufruct or a share in real estate of the value exceeding PLN 200,000.00 in accordance with the expert opinion,
9. expressing consent to charge and dispose of the shares of Przedsiębiorstwo Poszukiwan i Eksploatacji Złoz Ropy i Gazu "Petrobaltic" S.A. and shares in Przedsiębiorstwo Przeladunku Paliw Płynnych "Naftoport" Sp.z o.o.,
10. modification of the Statute,

11. creation and the dissolution of earmarked funds, including reserve capital,
12. expressing consent to redeem shares and purchase shares for the purpose of redemption and specifying conditions of shares redemption,
13. issue of bonds,
14. Company liquidation and dissolution as well as transformation and merger with other company,
15. expressing consent for acquisition of shares issued by the Company (own shares) and establishing pledge on Company's own shares in cases specified in art. 362 § 1 sec.2 of the Commercial Companies Code,
16. approval of the implementation of motivation programs.
17. approval of advance payment, if the Supervisory Board does not approve it.

§ 10

Voting Right

1. With reservation to provisions of the Commercial Companies Code and stipulations included therein which state otherwise, the resolutions of the General Assembly are adapted by an absolute majority of votes. Resolutions related to the following matters may be adopted if at the General Assembly at least half of the share capital is represented. Then the majority of four-fifths of votes is required:
 - 1/ Company dissolution,
 - 2/ relocation of the company seat abroad,
 - 3/ change of the enterprise objects which limit the possibility to conduct by the Company the operations related to production, processing and sale of the crude oil refinement products,
 - 4/ disposal or tenancy of the enterprise or its organized part whose operation includes production and manufacture, processing and sale of the crude oil refinement products and creation of a limited right in rem over the enterprise or such organized part of Company,
 - 5/ merger with other company,
 - 6/ division of the Company,
 - 7/ making shares preferential,

- 8/ establishing an European Company, accessing such a company or transformation of the Company into an European Company,
 - 9/ modification of this section of the Statute.
2. With the reservation to item 3. below, one share at the General Assembly shall carry one vote.
 3. As long as the State Treasury remains the owner of the company's shares giving right to at least one-fifth of total votes existing in the Company, the voting right of the Shareholders is being limited in such a way that none of the shareholders may exercise more than the one-fifth of total votes existing in the Company on the day of General Assembly. Limitation of the voting right mentioned in the a sentence above does not pertain to the State Treasury or entities dependent thereon. For the purpose of this item, exercising the voting right by an affiliated company is deemed as exercising the voting right of a parent company in the understanding of an Act of 29 July 2005 on Public Offers and conditions of implementing financial instruments into the organized system of turnover and public companies (hereinafter referred to as an "Act on Offers"), whereas the parent company and the affiliated company is respectively, each entity whose votes resulting out of the directly or indirectly owned shares of the company are cumulated with the votes of another entity or entities on conditions stipulated by and Act on Offers, in relation to the ownership, purchase or transfer of major shareholding. The shareholder, whose right to vote was limited maintains in each case the right to cast at least one vote.
 4. In compliance with the appropriate provisions of the Corporate Code, a significant change of Company's objectives may take place without the redemption of shares from these shareholders who agree with the change.

§ 11

Supervisory Board

1. The Supervisory Board consists of six to nine members, including the Chairman, Vice-Chairman and a Secretary. The list of the Supervisory Board members shall be established by the General Assembly.
2. The Supervisory Board is appointed and dismissed by the General Assembly. Irrespectively of the above stipulation, as long as the State Treasury remains the shareholder of the Company, the State Treasury represented by an appropriate Minister to the affairs of the State Treasury may appoint and dismiss one Supervisory Board member.

3. Term of office of the Supervisory Board is a common tenure and lasts three years. Particular members of the Supervisory Board as well as the whole Supervisory Board may be dismissed at any time before the elapse of the term of office.
4. The Chairman of the Supervisory Board is appointed by the general Assembly. Vice-Chairman and Secretary are appointed by the Supervisory Board from the members of the Supervisory Board.

§ 12

Supervisory Board Meetings

1. Meetings of the Supervisory Board take place as need arises, however at least once every two months. Moreover, the Chairman of the Supervisory Board should convene the meeting at a written request filed by the Management Board or a member of the Supervisory Board including a suggested agenda. The meeting shall be convened within two weeks upon acknowledgement of receipt of the request, otherwise the applicant may convene the meeting individually specifying the date, place and suggested agenda. Irrespectively of the above stipulations, the Chairman of the Supervisory Board upon a written request of the Management Board related to convening the Supervisory Board meeting in urgent cases, should convene an emergency meeting within two days upon the receipt of the request. In such a case the Chairman of the Supervisory Board may shorten the term to two days, mentioned in item 2, specifying the way of placing the invitations for the meeting of the Supervisory Board. In periods between the Supervisory Board meetings the statements of will and letters to the Supervisory Board are accepted by the Chairman, and in case of his absence by his Vice-Chairman.
2. Meetings of the Supervisory Board are convened by way of written invitations which should be sent to the Supervisory Board members at least seven days before the scheduled day of a meeting, excluding the provisions of item 1.
3. Meetings of the Supervisory Board may be held if all Supervisory Board members have been duly invited. Meetings of the Supervisory Board may take place also without a formal convocation, if all board members are present and express their consent to the meeting being convened and adding certain matters to the agenda.

The Supervisory Board may also adopt resolutions in a written mode or using the means of direct communication, with the reservation of art. 388 § 4 of the Commercial Companies Code. Adopting a resolution in such a mode requires providing all Supervisory Board members with the proposal of a resolution, and the resolutions adopted are presented at the subsequent meeting with the voting result stated.

4. With the reservation to art. § 14 item 4 of the Statute of the Supervisory Board, the resolutions are adopted by an absolute majority of valid votes, at the presence of at least half of the Supervisory Board members.

§ 13

Supervisory Board Competencies

1. The Company's Supervisory Board adopts By-laws which defines its organisation and way of conducting affairs of the company.
2. The Company's Supervisory Board constantly supervises the Company's activities and operations. Moreover, the scope of the Company's Supervisory Board rights includes:
 - 1/ appointing and dismissing the President, Vice-presidents and other Board members as well as deciding about the rules and amount of their remunerations, unless the specific states otherwise,
 - 2/ suspending, due to significant reasons, particular or all board members from their office as well as delegating a Supervisory Board member or Supervisory Board members for a temporary execution of the scope of responsibilities in lieu of the Management Board members who cannot discharge their duties,
 - 3/ approving the Management Board By-laws,
 - 4/ selecting an auditor authorised to audit company's financial statements and reports of the capital group in accordance with the regulations of the Accountancy Act,
 - 5/ verification of the financial report for the compliance with books and documents as well as facts of a case, verification of the Management Board reports and motions of the Management Board to divide profits and cover the loss as well as submit to the General Assembly a written report on the results of such verification,
 - 6/ issue of opinions in all matters submitted for consideration to the General Assembly, both Ordinary and Extraordinary,

- 7/ granting permits to the Management Board Members to accept positions in the supervisory organs or management bodies of other subjects and accept remuneration by virtue of this,
 - 8/ expressing consent to carry out investment projects and undertake to carry out obligations due to the foregoing if any expenses or liabilities exceeding the value of the half of the share capital of the Company occur.
 - 9/ specifying the scope, details and terms of submission by the Management Board annual budget and long-term plans,
 - 10/ approving Grupa LOTOS S.A. and Grupa Kapitałowa Grupy LOTOS S.A. strategies,
 - 11/ giving opinions on annual budgets,
 - 12/ granting annual awards to Vice-Presidents, members of the Board and lodging a motion to award an annual bonus to the President of the Management Board,
 - 13/ adopting regulations of earmarked fund management.
3. The Management Board is obliged to obtain a consent of the Supervisory Board to carry out the following activities:
- 1/ establishing a company abroad, in the understanding of the agreements signed by the Republic of Poland to avoid double taxation,
 - 2/ transfer of fixed assets of value exceeding one-twentieth of the net Company property value,
 - 3/ contracting other obligations or effecting other dispositions which, on the grounds of one or more combined acts of law, excluding the acts of usual management, exceed the amount of one-second of the share capital, unless expressing consent to such operations belongs to the scope of competencies of the General Assembly,
 - 4/ carrying out abroad by the Company capital investments in the amount exceeding the value of one-twentieth of the share capital and all tangible investments,
 - 5/ exercising by the Company the right of vote at the General Assemblies and shareholders' meetings of all affiliated companies and other companies if the value of the shares owned by the Company or the share established according to their purchase price or the taking over price constitutes more than one-fifth of the share capital of the Company, in such matters as:

- division of profit and loss coverage,
 - increase or decrease of share capital,
 - merger with another company or transformation of the company,
 - transfer and lease of a company enterprise and establishing a usufruct right on it,
 - modification of the company's articles of association or the Statute,
- 6/ creation of the commercial law companies and accessing companies as well as making contributions to cover shares or bonds in the companies, transfer or shares if present capital involvement of the Company in a given company or the amount of engagement to be attained by the Company' as a result of purchase or taking hold of shares, valued according to the purchase price of the price of shares taking over exceeds one-twentieth of the share capital of the Company, excluding the case of taking over of shares by way of exchange of liabilities under an Act of 3 February 1993 on financial restructuring of companies and banks as well as purchase of shares through the public trading in securities,
- 7/ purchase of a real estate, perpetual usufruct or a share in a real property of value which not exceeds PLN 5,000,000.00 valued on the grounds of the expert's valuation and the transfer of the real estate, perpetual usufruct or a share in a real estate of the value not exceeding PLN 200,000.00 as specified by a real estate expert.
- 8) advance payment on dividend.

§ 14

Management Board

1. The Company's Management Board is composed of three to seven members, including the President and Vice-Presidents.
2. President, Vice-Presidents and other board members of the Management Board are appointed by the Supervisory Board.
3. The term of office of the Management Board is common for all members and lasts three years. The President, Vice-Presidents and other Board Members as well as the whole Management Board may be dismissed or suspended due to important reasons by the Supervisory Board at any time before the end of the term of office.

4. Resolutions of the Supervisory Board on appointment and dismissal of particular Board Members or the whole Board are adopted with at least two-thirds of Supervisory Board members present.
5. Expiration of a mandate of a board member occurs also by notice of a Board Member. Notice of a board member may not be submitted later than on fourteen days before the day of member mandate expiration mentioned in the notice statement, with the reservation of the resignation effect on the day declared.

§ 15

Company's representation

1. On behalf of the Company statements of will are made by:
 - two Board Members acting jointly,
 - a Board Member acting jointly with a commercial proxy.
2. In order to effect dispositions of a right and undertake to carry out obligations up to the amount of PLN one hundred thousand (PLN 100,000.00) the statement of will and a signature of one board member is sufficient.

§ 16

Competence and method of operation of the Company's Management Board

1. Management Board adopts the organisational regulations of the Company's enterprise.
2. Management Board adopts the by-laws for the Management Board which in detail specify organisation of the Management Board and ways of conducting issues related to the Company by Management Board. The regulations as well as each change to them become enforceable the moment of they have been adopted by the Supervisory Board.
3. Resolutions of the Management Board are required in all matters exceeding the scope of usual management board and specified in the Management Board Regulations, as well as matters which in accordance with the Statute or law should be considered by Supervisory Board or General Assembly, or the issues to which settlement objected at least one board member.
4. When considering the Company's affairs the Board is limited by the specific laws and stipulations of this Statute as well as the resolutions of the General Assembly.

5. The Management Board is obliged to draw up and adopt annual budgets and long-term operating plans in the form, scope and terms specified by the Supervisory Board.
6. The Company's Management Board is obliged to draw up:
 - 1/ a financial statement of the company for the previous financial year, in accordance with the requirements of the Accountancy Act, as well as the Management Board report from the operation of the Company in the previous financial year not later than within three (3) months from the balance day.
 - 2/ a consolidated financial statement of the capital group for the previous financial year as well as the report of the capital group business activity for the previous financial year not later than within five (5) months from the balance day.
7. A representative of the Supervisory Board delegated by the Supervisory Board concludes employment contracts with the Company President, Vice-president and other Board members on conditions stipulated in the resolutions of the General Assembly. All other legal operations between the Company and Board members are carried out accordingly.

§ 17

Time of operation and Company's financial year

1. The Company time of operation is unspecified.
2. Company's financial year shall be a calendar year.

§ 18

Final Provisions

1. Announcements made by the Company required by law and this Statute shall be published in: "Monitor Sądowy i Gospodarczy".
2. The term 'Capital Group' used in this Statute shall mean a capital group in the understanding of the accountancy regulations.
3. Unless other meaning, wording or purpose of the particular provisions of this Statute have been attached to the term "Spolka", the term used therein shall mean Grupa LOTOS Spolka Akcyjna.