

*Resolution No. 45
of XXX Ordinary General Meeting
of mBank S.A.
dated 30 March 2017
Draft*

Re.: Amendments to the By-laws of mBank S.A. and authorization of the Management Board of mBank S.A. to increase the share capital of mBank S.A. within the limits of the authorized capital with the possibility to divest current shareholders of the pre-emptive right in whole or in part upon the consent of the Supervisory Board of mBank S.A.

Pursuant to Article 430(1), Article 444, Article 445, Article 447 of the Code of Commercial Companies and Partnerships and § 11 letter e) of the By-laws of mBank S.A., it is resolved as follows:

§ 1

The By-laws of the Bank are amended by adding a new § 35a after § 35, which reads as follows:

„§ 35a

1. The Management Board shall be authorized to increase the share capital of the Bank by the amount not higher than PLN 60,000,000 (in words: sixty million) by way of single or repeated share capital increase within the limits indicated above by way of bearer shares issue (hereinafter the “**authorized capital**”).
2. The authorization described in point 1 above shall expire after three years from the date the amendments to the By-laws of the Bank including the authorized capital are entered into the register of entrepreneurs of the National Court Register.
3. The Management Board of the Bank shall be authorized to increase the share capital within the limits of the authorized capital provided the Supervisory Board gives its consent to such capital increase and an appropriate resolution in the form of a notarial deed is adopted by the Management Board.
4. The Management Board of the Bank shall be authorized to set detailed conditions and ways of subscription of shares issued in connection with the share capital increase within the limits of the authorized capital and in case of decision to issue shares within an open or closed subscription, and in particular to:
 - set the time limit to open and close the share subscription,
 - set the conditions and ways to subscribe for shares,
 - allocate shares, including allocation of shares not taken up upon exercising the preemptive right.
5. The resolutions of the Management Board on fixing the issue price of shares issued within the limits of the authorized capital shall require consent of the Supervisory Board of the Bank.
6. The Management Board of the Bank is authorized upon the consent of the Supervisory Board to divest a shareholder of the preemptive right (in whole or in part) as regards shares issued within the share capital increase within the limits of the authorized capital.
7. In case the Management Board of the Bank, upon the consent of the Supervisory Board, deprives a shareholder of the pre-emptive right (in whole or in part) with respect to the shares

issued within the share capital increase within the scope of the authorized share capital, the Management Board of the Bank shall offer the issued shares in a private placement within the meaning of Article 431(2)(1) of the Code of Commercial Companies to the eligible Investors (the “**Eligible Investors Holding the Right of First Refusal**”) who were the Bank’s shareholders eligible to participate in the last General Meeting before the Management Board adopted a resolution regarding depriving shareholders of the pre-emptive right (in whole or in part) with respect to the shares issued within the share capital increase within the scope of the authorized share capital (the “**Record Date for the Right of First Refusal**”). The Eligible Investors Holding the Right of First Refusal shall have the right of first refusal to subscribe for the shares issued within the share capital increase within the scope of the authorized share capital in a number which shall be the product of: (a) the ratio of the number of the Bank’s shares held by such Eligible Investor Holding the Right of First Refusal on the Record Date for the Right of First Refusal to the number of all of the Bank’s shares existing on the Record Date for the Right of First Refusal, and (b) the final number of offered shares issued within the share capital increase within the scope of the authorized share capital set by the Management Board of the Bank, provided that if the number of shares so determined is not an integer, it shall be rounded down to the nearest integer (the “**Right of First Refusal to Subscribe for Shares**”). To exercise the Right of First Refusal to Subscribe for Shares, an Eligible Investor Holding the Right of First Refusal must meet the following additional conditions (the “**Qualifying Criteria for an Eligible Investor Holding the Right of First Refusal**”): (a) the submission during the bookbuilding process of a document confirming that such investor was the Bank’s shareholder on the Record Date for the Right of First Refusal and held at least 0.1% of total voting rights in the Bank’s share capital, where the investor’s entry in the list of entities entitled to participate in the last General Meeting shall be sufficient proof that the investor was the Bank’s shareholder on the Record Date for the Right of First Refusal; (b) the submission by such investor during the bookbuilding process of a declaration of interest in acquiring shares for a price not lower than the final issue price set by the Management Board of the Bank; and (c) the execution with the Bank of an agreement to subscribe for the shares offered to such investor for the issue price set by the Management Board of the Bank. The above shall not limit the Management Board of the Bank’s right to offer any remaining shares issued within the share capital increase within the scope of the authorized capital that have not been subscribed for in the exercise of the right of first refusal at its own discretion, including to selected Eligible Investors, at the price not lower than the price paid by the Eligible Investors Holding the Right of First Refusal.

8. The Management Board of the Bank shall issue shares within the share capital increase exclusively for cash contributions.

9. The Management Board of the Bank shall not issue preference shares or shares carrying personal preferences within the share capital increase within the limits of the authorized capital.

10. Unless provisions of law or this paragraph state otherwise, the Management Board is authorized to decide on all matters connected with the share capital increase within the limits of the authorized capital, and in particular to:

1) conclude standby commitment underwriting agreements, firm commitment underwriting agreements or other agreements securing the success of the share issue,

2) take all necessary actual and legal steps to admit shares to trading on the regulated market operated by *Gięlda Papierów Wartościowych S.A.* (Warsaw Stock Exchange), including submitting all necessary applications, documentation or notifications to the Polish Financial Supervision Authority and to perform appropriate acts, submit all necessary applications, documentation or notifications in order to admit shares to trading on the regulated market operated by *Gięlda Papierów Wartościowych S.A.* (Warsaw Stock Exchange).

3) adopt resolutions and take all other necessary actual and legal steps as regards dematerialization of shares and to conclude agreements for registration and dematerialization of shares with *Krajowy Depozyt Papierów Wartościowych S.A.* (Central Securities Depository of Poland).”

§2

1. Adopting the proposed resolution on the amendments to the By-laws of the Bank and authorization of the Management Board to increase the share capital within the limits of the authorized capital aims at making it possible for the Bank to obtain quick and flexible funding if a need for it arises. Introducing a flexible mechanism that allows increasing the Bank’s share capital is particularly justified when the regulatory requirements change quickly and the supervisory authorities issue recommendations on capital requirements for banks. What is important, the Bank’s Management Board using the authorisation to increase the share capital within the limits of the authorised capital will be able to adapt the size and time of the issue to market conditions and current capital needs of the Bank.

2. The authorization to increase the share capital granted to the Management Board of the Bank will make it possible for the Management Board:

- 1) to shorten and simplify the process of obtaining funds as part of capital increase as it will not be necessary to convene and hold the General Meeting in order to increase the share capital,
- 2) to reduce costs of the share capital increase,
- 3) to offer the new issue shares at the most convenient time compared with the procedure for an ordinary increase of share capital, and
- 4) to mitigate the risk of unfavourable changes in the economic situation on the capital market as a result of shortening the capital increase process.

§3

The General Meeting of the Shareholders of the Bank, after considering the justification of the introduction of the authorized capital described in §2 as well as the opinion of the Management Board attached to this Resolution (accepted by the Supervisory Board of the Bank) as regards the grounds for the increase of the share capital within the limits of the authorized capital, ways of fixing the issue price as well as possibility to divest a shareholder of the preemptive right in whole or in part, hereby complies with the standpoint of the Management Board and accepts it as justification of this resolution as required by the provisions of the Code of Commercial Companies.

§4

On the basis of Article 430(5) of the Code of Commercial Companies, the Supervisory Board of the Bank is hereby authorized to determine the consolidated text of the amended By-laws of the Bank.

§5

The Resolution comes into force on the day of its adoption with effect as of the date of registration of the amendments to the By-laws of the Bank into the register of entrepreneurs of the National Court Register, according to Article 430(1) of the Code of Commercial Companies.

Opinion of the Management Board of mBank S.A on the rationale for share capital increase within the limits of the authorised capital, the manner of determining the issue price of shares, as well as admissibility of divesting the shareholders, in whole or in part, of the pre-emptive right with regard to each share capital increase within the limits of the share capital (regarding a draft of resolution no. 45 of the XXX Annual General Meeting of mBank S.A. convened on 30 March 2017).

Acting pursuant to Article 433 § 2 and in connection with Article 447 § 2 of the Code of Commercial Partnerships and Companies, with respect to a draft of resolution no. 45 of the XXX Annual General Meeting of mBank S.A. held on 30 March 2017, the Management Board of mBank S.A presents a written opinion on the rationale for share capital increase within the limits of the authorised share capital, the manner of determining the issue price of shares, as well as admissibility of divesting the shareholders, in whole or in part, of the pre-emptive right with regard to each share capital increase within the limits of the authorised share capital.

Introduction of provisions pertaining to the authorisation of the Management Board of mBank S.A. to increase the share capital within the limits of the authorised share capital to the By-Laws of mBank S.A. is to simplify and limit in time the share capital increase process if such a need arises, and hence to make it possible to obtain funds for operations and development of the Bank in the most optimal way.

To introduce a flexible and quick mechanism for share capital increase within the limits of the authorised share capital, it is in the Bank's interest to authorise the Management Board (upon approval by the Supervisory Board) to effect a total or partial divestment of the pre-emptive right of the existing shareholders with regard to each share capital increase within the limits of the authorised share capital. Divesting the existing shareholders of the pre-emptive right will make it possible to offer external investors to take up shares without the necessity to convene an annual general meeting, as a result of which the Bank will gain new shareholders in a quick and cost-effective way. That will contribute to an increased trading in the Bank's shares on the Warsaw Stock Exchange. The guarantee under which the existing shareholders will not be divested of the pre-emptive right without the consent of the Bank's Supervisory Board protects the rights of the Bank's shareholders in case such an act would turn out to be contrary to the interests of the Bank and shareholders.

The competences granted to the Bank's Management Board by the Annual General Meeting may be used only within the limits of the authorisation granted, both within the value of share capital increase and the time-frame agreed on.

The issue price of shares, as part of one or several subsequent issues, will be determined by the Bank's Management Board upon approval by the Supervisory Board. The authorisation of the Bank's Management Board to set the issue price will make it possible to ensure the level of proceeds from the share issue at an optimal level, taking into account the current book value of the Bank and its capital needs. The issue price of shares will be set in particular on the basis of the institutional investors' interest in the offer as part of the bookbuilding and analysing the price sensitivity of the demand for shares and taking into account the current situation on financial markets. The decision about the issue price of shares will be taken by the Bank's Management Board in the form of a resolution.

In view of the above goals, passing a resolution on share capital increase within the limits of the authorised capital with the possibility for the Management Board to exclude the pre-

emptive right of the existing shareholders of mBank S.A. in whole or in part, is fully justified and is in the best interest of the Bank and its shareholders.