

Company: IPOPEMA Securities S.A.

Current Report No.: 14/2011

Date: **June 3rd 2011**

Subject: **Convening notice and draft resolutions of the Annual General Shareholders Meeting**

## **I.**

Acting pursuant to Art. 399.1 and Art. 402<sup>1</sup>.1–2, in conjunction with Art. 395.1 and Art. 402<sup>2</sup> of the Commercial Companies Code and Par. 17.2 and Par. 17.4 of the Company's Articles of Association, the Management Board of IPOPEMA Securities S.A., registered office at ul. Waliców 11, Warsaw, Poland, entered in the Register of Entrepreneurs maintained by the District Court for the Capital City of Warsaw, XII Commercial Division of the National Court Register, under entry No. KRS 0000230737 ("**Company**"), hereby gives notice of the Annual General Shareholders Meeting to be held on June 29th 2011 at the Westin Hotel at Al. Jana Pawła II 21 in Warsaw, at 2pm. The agenda for the meeting is as follows:

1. Opening of the General Shareholders Meeting.
2. Election of the Chairperson.
3. Compiling a list of attendees.
4. Confirmation that the Annual General Shareholders Meeting has been duly convened and has the capacity to adopt resolutions.
5. Appointment of the Ballot Counting Committee.
6. Approval of the agenda for the meeting.
7. Review of the Directors' Report on the Company's operations and the Company's financial statements for the financial year 2010.
8. Review of the Group's consolidated financial statements for the financial year 2010.
9. Presentation and review of the Supervisory Board's written report on the results of assessment of the Directors' Report on the Company's operations, the financial statements for the financial year 2010, the Group's consolidated financial statements for 2010 and the Management Board's proposal on the distribution of profit, as well as the report on the activities of the Supervisory Board and the Supervisory Board's committees.
10. Adoption of a resolution concerning review and approval of the Directors' Report on the Company's operations in 2010.
11. Adoption of a resolution concerning review and approval of the Company's financial statements for the financial year 2010.
12. Adoption of a resolution concerning review and approval of the Group's consolidated financial statements for the financial year 2010.
13. Adoption of a resolution concerning distribution of profit.
14. Granting approval of discharge of duties by members of the Management Board and the Supervisory Board.
15. Adoption of resolutions concerning appointment of the Supervisory Board members.
16. Adoption of a resolution concerning amendment of the Company's Articles of Association as regards the Management Board's authorisation to increase the Company's share capital within the limit of the authorised capital.
17. Adoption of a resolution concerning amendment of Par. 11 of the Company's Articles of Association
18. Adoption of a resolution concerning amendment of Par. 16.3j of the Company's Articles of Association
19. Motions from the floor.
20. Closing of the General Shareholders Meeting.

## II.

With reference to items 16–18 of the agenda, the Management Board presents below the current and proposed wording of the provisions of the Articles of Association to be amended:

### **Par. 5 of the Articles of Association**

#### **Current wording:**

1. A share capital increase shall require an amendment to these Articles of Association and shall be effected by way of a new issue or through an increase in the par value of the existing shares. The share capital may be increased with funds from the statutory reserve funds or other capital reserves created from profit distributions, provided that such funds and reserves may be used for that purpose under applicable laws.
2. The Company may issue convertible bonds, bonds with pre-emptive rights, and subscription warrants.
3. The Management Board may increase the Company's share capital by an aggregate amount of up to PLN 350,000 (three hundred and fifty thousand zloty) through the issue of up to 3,500,000 (three million, five hundred thousand) new shares, by way of one or more share capital increases within the limit specified above, within three years of entering the relevant amendment to these Articles of Association, made by virtue of Resolution No. 1 of the Extraordinary General Shareholders Meeting of the Company held on December 5th 2007, into the register of entrepreneurs (authorised capital). The authorisation of the Management Board to increase the share capital through the issue of new shares within the limit of the authorised capital shall expire upon the lapse of three years from entering the amendment to these Articles of Association made by virtue of Resolution No. 1 of the Extraordinary General Shareholders Meeting of the Company held on December 5th 2007 into the register of entrepreneurs.
4. A share capital increase within the limit of the authorised capital shall require consent of the Supervisory Board.
5. Subject to Par. 5.4 above and unless the provisions of the Commercial Companies Code stipulate otherwise, the Management Board shall decide on any matter related to share capital increases within the limit of the authorised capital.
6. Upon consent of the Supervisory Board, the Management Board of the Company may limit or exclude the shareholders' pre-emptive rights to acquire shares (the pre-emptive rights) with respect to shares issued within the limit of authorised capital, provided that if the Supervisory Board comprises two independent members, at least one of those independent members has also voted in favour of the resolution of the Supervisory Board granting its consent to a limitation or exclusion of the pre-emptive rights.
7. The Company's conditional share capital shall amount to no more than PLN 449,999.7 (four hundred and forty-nine thousand, nine hundred and ninety-nine zloty, seven grosz) and shall be divided into no more than PLN 4,499,997 (four million, four hundred and ninety-nine thousand, nine hundred and ninety-seven) Series C ordinary registered shares with a par value of PLN 0.10 (ten grosz) per share, subject to Par. 3.2 hereof. The purpose of the conditional share capital increase shall be to grant the right to acquire Series C shares to holders of subscription warrants issued by the Company by virtue of a resolution adopted by the Extraordinary General Shareholders Meeting on December 5th 2007. The right to acquire Series C shares by the holders of subscription warrants may be exercised by November 30th 2017.

#### **Proposed wording:**

1. A share capital increase shall require an amendment to these Articles of Association and shall be effected by way of a new issue or through an increase in the par value of the existing shares. The share capital may be increased with funds from the reserve funds or other capital reserves created from profit distributions, provided that such funds and reserves may be used for that purpose under applicable laws. *[not amended]*
2. The Company may issue convertible bonds, bonds with pre-emptive rights, and subscription warrants. *[not amended]*
3. The Management Board may increase the Company's share capital through the issue of new shares with a total par value of up to PLN 350,000 (three hundred and fifty thousand zloty), by way of one or more share capital increases within the limit specified above (authorised capital). As part of its authorisation to increase the share capital, the Management Board may issue subscription warrants referred to in Art. 453.2 of the Commercial Companies Code, which are exercisable before the lapse of period for which the authorisation has been granted.
4. The authorisation of the Management Board to increase the share capital within the limit of authorised capital shall expire upon the lapse of three years from entering the amendment to these Articles of Association, made by virtue of Resolution No. [ • ] of the Annual General Shareholders Meeting of the Company held on June 29th 2011, into the Register of Entrepreneurs.
5. A share capital increase within the limit of authorised capital shall require consent of the Supervisory Board. *[not amended]*
6. Upon consent of the Supervisory Board, the Management Board may limit or exclude the shareholders' pre-emptive rights with respect to shares or subscription warrants issued by the Management Board pursuant to Par. 5.3 hereof, provided that if the Supervisory Board comprises two independent members, at least one of those independent members has also voted in favour of the resolution of the Supervisory Board granting its consent to a limitation or exclusion of the pre-emptive rights.
7. The Management Board may issue shares within the limit of authorised capital in exchange for cash and non-cash contributions.
8. Unless the provisions of the Commercial Companies Code and these Articles of Association stipulate otherwise, the Management Board shall decide on any matters related to share capital increases within the limit of authorised capital. In particular the Management Board shall have the authority to:
  - (a) enter into a standby underwriting agreement, a firm commitment underwriting agreement or another agreement securing successful completion of a share issue;
  - (b) adopt resolutions and take other actions concerned with share dematerialisation, and to enter into agreements with the National Depository for Securities concerning registration of shares, allotment certificates or pre-emptive rights.
  - (c) adopt resolutions and undertake other actions concerned with issuing shares in a public offering or seeking admission of shares, allotment certificates or pre-emptive rights to trading on the regulated market.
9. The Company's conditional share capital shall amount to no more than PLN 449,999.7 (four hundred and forty-nine thousand, nine hundred and ninety-nine zloty, seven grosz) and shall be divided into no more than PLN 4,499,997 (four million, four hundred and ninety-nine thousand, nine hundred and ninety-seven) Series C ordinary registered shares with a par value of PLN 0.10 (ten grosz) per share, subject to Par. 3.2 hereof. The purpose of the conditional share capital increase shall be to grant the right to acquire Series C shares to holders of subscription warrants issued by the Company by virtue of a resolution adopted by the Extraordinary General Shareholders Meeting on December 5th 2007. The right to acquire Series C shares by the holders of subscription warrants may be exercised by November 30th 2017. *[not amended]*

**Par. 11.1, Par. 11.3 and Par. 11.6 of the Articles of Association**

**current wording:**

- “1. The Supervisory Board shall be composed of five members appointed and removed by the General Shareholders Meeting, subject to Par. 11.3 and Par. 11.4. Following the expiry of the right of Manchester Securities Corp. referred to in Par. 11.3, two members of the Supervisory Board shall be independent members. The right to propose candidates for the position of independent member of the Supervisory Board shall rest with the shareholders present at the General Shareholders Meeting whose agenda includes the election of an independent member of the Supervisory Board.”
- “3. Manchester Securities Corp. may appoint and remove two members of the Supervisory Board; however, this right shall expire upon the introduction of the Company shares to trading on the Warsaw Stock Exchange. Following the expiry of this right, the General Shareholders Meeting may appoint two independent members of the Supervisory Board.”
- “6. The appointment and removal of the Supervisory Board members as described in Par. 11.3 and Par. 11.4 above shall be effected by way of a written representation delivered to the Company.”

**proposed wording:**

- “1. The Supervisory Board shall be composed of five members appointed and removed by the General Shareholders Meeting, subject to Par. 11.3 and Par. 11.4. Two members of the Supervisory Board shall be independent members. The right to propose candidates for the position of independent member of the Supervisory Board shall rest with the shareholders present at the General Shareholders Meeting whose agenda includes the election of an independent member of the Supervisory Board.”

*[paragraph 11.3 is deleted and the existing paragraphs 11.4, 11.5 and 11.6 are renumbered accordingly as paragraphs 11.3, 11.4 and 11.5]*

- “5. The appointment and removal of the Supervisory Board members as described in Par. 11.3 above shall be effected by way of a written representation delivered to the Company.”

**Par. 16.3j of the Articles of Association**

**current wording:**

- “j) granting consent for the execution by the Company of a legal act which results in the assumption of an obligation or in a disposal, or to incur expenditure, whether in a single transaction or a series of related transactions, which is not provided for in the Company’s budget, outside the Company’s ordinary course of business, where the value of the obligation, disposal or expenditure exceeds PLN 3,000,000, with the exception of obligations assumed in connection with the settlement of the Company’s liabilities towards the National Depository for Securities (Krajowy Depozyt Papierów Wartościowych S.A.) relating to the Company’s brokerage activities,”

**proposed wording:**

- “j) granting consent for the execution by the Company of a legal act which results in the assumption of an obligation or in a disposal, or to incur expenditure, whether in a single transaction or a series of related transactions:

- (i) which are not provided for in the Company's budget, outside the Company's ordinary course of business, where the value of the obligation, disposal or expenditure exceeds PLN 3,000,000, or
- (ii) in the case of promissory notes or cheques, where the value of the obligation exceeds PLN 3,000,000 or has not been defined in advance, with the exception of obligations incurred in connection with the settlement of the Company's liabilities towards the National Depository for Securities (Krajowy Depozyt Papierów Wartościowych S.A.) relating to the Company's brokerage activities,"

### III.

Acting pursuant to Art. 402<sup>2</sup> of the Commercial Companies Code, the Company hereby presents information regarding participation in the Annual General Shareholders Meeting:

#### **Shareholder's right to request that a certain matter be placed on the agenda of the General Shareholders Meeting**

1. A shareholder or shareholders representing at least 1/20 of the Company's share capital may request that certain matters be placed on the agenda of the Annual General Shareholders Meeting. Any such request should be submitted to the Company's Management Board no later than 21 days prior to the scheduled date of the Annual General Shareholders Meeting and should contain grounds or a draft resolution concerning the proposed agenda item. The request may be submitted to the Company in writing to the Company's registered address

(ul. Waliców 11, 00-851 Warsaw, Poland), or in electronic form to the Company's e-mail address: [ipopema@ipopema.pl](mailto:ipopema@ipopema.pl).

2. The shareholder(s) referred to in item 1 above should prove that as at the date of submitting the request they hold the required number of shares, by attaching to the request a deposit certificate or another certificate issued by the entity keeping their securities account. Additionally, if the shareholder(s) referred to in item 1 above are natural persons, they should submit a copy of their identity document (passport or other document allowing to establish the shareholder's identity; if the request is sent via electronic channels, a scanned copy of these documents). If the request is submitted by a shareholder or shareholders who are legal persons or organisations referred to in Art. 33<sup>1</sup> of the Polish Civil Code, they should attach a copy of their entry in the relevant register (if the request is sent via electronic channels, a scanned copy of such entry). Any documents submitted to the Company, also via electronic channels, should be translated into Polish by a sworn translator. Apostille certificates may also be submitted. In the event that the request is submitted by shareholders using means of electronic communication, all the documents should be sent in the PDF format.

3. The Company may take relevant steps necessary to establish the identity of a shareholder and a shareholder's proxy with a view to verifying the rights exercised using means of electronic communication.

#### **Shareholder's right to propose draft resolutions**

4. A shareholder or shareholders representing at least 1/20 of the Company's share capital may, before the date of the Annual General Shareholders Meeting, submit to the Company draft resolutions concerning matters which have been or are to be placed on the agenda of the Annual General Shareholders Meeting. Such draft resolutions may be submitted in writing to the Company's registered address (ul. Waliców 11, 00-851 Warsaw, Poland), or in electronic form (to the Company's e-mail address given in item 1 above). As described in items 2 and 3 above, the shareholder or shareholders should prove that as at the date of submitting the request they hold a relevant number of shares and should attach the required documents identifying the requesting party or parties.

5. Each shareholder entitled to participate in the General Shareholders Meeting may submit draft resolutions concerning matters included in the agenda during the Annual General Shareholders Meeting.

## **Exercise of voting rights through a proxy**

6. A shareholder may participate in a General Shareholders Meeting and exercise voting rights personally or by proxy. A power of proxy to participate in a General Shareholders Meeting and exercise voting rights must be granted in writing or in electronic form. A shareholder who is not a natural person may participate in a General Shareholders Meeting and exercise voting rights through a person authorised to make declarations of will binding on that shareholder, or through a proxy.

7. Shareholders may notify the Company of granting or revoking a power of proxy to participate in a General Shareholders Meeting in electronic form, as well as submit power of proxy documents or documents revoking a power of proxy, electronically, by sending an e-mail to [ipopema@ipopema.pl](mailto:ipopema@ipopema.pl).

Along with a notification of granting a power of proxy in electronic form, the shareholder sends in the text of the power of proxy document, as well as scanned copy of an identity card, passport or any other document based on which it is possible to identify the shareholder as the principal and the appointed proxy, including a natural person acting on behalf of a proxy who is a legal person or an organisation referred to in Art. 33<sup>1</sup> of the Civil Code. Where the power of proxy is granted by a legal person or an organisation referred to in Art. 33<sup>1</sup> of the Civil Code, the shareholder as the principal additionally sends in a scanned copy of its entry in the relevant register. Where the proxy is a legal person or an organisation referred to in Art. 33<sup>1</sup> of the Civil Code, the shareholder as the principal additionally sends in a scanned copy the proxy's entry in the relevant register. Any documents sent in via electronic channels should be translated into Polish by a sworn translator. Copies of Apostille certificates can also be sent via such channels. Together with a notification of granting a power of proxy, the shareholder sends in an e-mail address through which the Company will be able to communicate with the shareholder and the proxy. All the documents listed in this paragraph are sent to the Company in electronic form, however these provisions do not release the proxy from the obligation to present the documents based on which his/her/its identity can be established, as specified in this paragraph, during the drawing up of the list of eligible participants of the General Shareholders Meeting. The rules presented above concerning identification of the principal apply accordingly when notifying the Company of revoking powers of proxy. Any notification of granting or revoking powers of proxy made without compliance with the requirements set out above has no legal effect vis-à-vis the Company. The Company may take relevant steps necessary to establish the identity of shareholder and a shareholder's proxy with a view to verifying the rights exercised using means of electronic communication.

8. Where the power of proxy is granted in writing, the principal is obliged to leave the original of the power of proxy document with the Company. In addition, during the drawing up of the attendance list, proxies should present their identity cards, passports or other reliable documents on the basis of which their identity can be established. The right to represent a shareholder who is not a natural person should be evidenced by an up-to-date official copy of the entry in the relevant register (of which the original or a copy certified as true by a notary public, attorney-at-law or legal counsel should be submitted) and a sequence of powers of proxy.

9. Proxy forms containing the information stipulated in Art. 402<sup>3</sup> of the Commercial Companies Code are available at <http://www.ipopemasecurities.pl> in the Investor Relations/General Meeting section.

## **Attending the General Shareholders Meeting using means of electronic communication**

At present, IPOPEMA Securities S.A. provides no possibility to attend the General Shareholders Meeting using means of electronic communication.

**Taking the floor during the General Shareholders Meeting using means of electronic communication**

At present, IPOPEMA Securities S.A. provides no possibility to take the floor during the General Shareholders Meeting using means of electronic communication.

**Exercising voting rights by postal ballot or electronic ballot**

At present, IPOPEMA Securities S.A. provides no possibility to exercise voting rights by postal ballot or electronic ballot.

**Record date for the right to attend the General Shareholders Meeting**

The record date for the right to attend the General Shareholders Meeting is June 13th 2011.

**Right to attend the General Shareholders Meeting**

- (a) The Annual General Shareholders Meeting of the Company may only be attended by persons who: sixteen days prior to the date of the Annual General Shareholders Meeting (June 13th 2011) are the Company shareholders, i.e. have the Company shares registered in their securities accounts; and
- (b) between June 1st and June 13th 2011 request the entity keeping their securities account in which the Company shares are registered to issue a certificate to their name confirming their right to attend the Annual General Shareholders Meeting.

Shareholders are recommended to collect the certificate referred to above and bring it along to the Annual General Shareholders Meeting.

The Company draws up the list of shareholders entitled to attend the Annual General Shareholders Meeting on the basis of the data provided to it by the National Depository of Securities (the NDS). The NDS compiles such data based on the certificates confirming the right to attend the Annual General Shareholders Meeting issued to the shareholders' names by the entities keeping their securities accounts. The list of shareholders entitled to attend the Annual General Shareholders Meeting will be displayed at the reception desk at the Company's registered office at ul. Waliców 11, Warsaw, Poland, between 9am and 6pm on the three business days immediately preceding the date of the Annual General Shareholders Meeting.

A shareholder may request to be sent the list of shareholders entitled to attend the Annual General Shareholders Meeting by e-mail, free of charge (the shareholder should give the e-mail address to which the list should be sent). The list will be sent in the form of a PDF file.

A shareholder who requests to be made available for inspection or to be sent the list of shareholders should prove his/her/its identity and status of a shareholder of IPOPEMA Securities S.A. in the manner specified in items 2–3 above. To this end, a certificate confirming the shareholder's right to attend the General Shareholders Meeting or a deposit certificate issued by the entity keeping the shareholder's securities account may be presented.

When signing the attendance list, shareholders and proxies arriving at the General Shareholders Meeting should present their identity cards, passports or other documents on the basis of which their identity may be established. The right to represent a shareholder who is not a natural person should be evidenced by an up-to-date official copy of the entry in the relevant register (of which the original or a copy certified as true by a notary public, attorney-at-law or legal counsel should be submitted) and a sequence of powers of proxy. The right to represent shareholder who is a natural person should be evidenced by a power of proxy presented when signing the attendance list.

**Access to documentation**

Persons entitled to attend the Annual General Shareholders Meeting may download the documentation from the Company's website at <http://www.ipopemasecurities.pl>, from the Investor Relations/General Meeting section. Shareholders may also collect a copy of the documentation to be distributed at the Annual General Shareholders Meeting and draft resolutions from the reception desk at the Company's registered office at ul. Waliców 11, Warsaw, Poland, between 9am and 6pm on business days.



#### IV.

The Management Board of the Company presents draft resolutions of the General Shareholders Meeting to be held on June 29th 2011, which are attached as an appendix hereto.

Legal basis:

Par. 38.1.1–3 of the Regulation of the Minister of Finance on current and periodic information to be published by issuers of securities, dated February 19th 2009.

**Appendices:**

Draft resolutions of the General Shareholders Meeting