

**Resolutions passed by the Extraordinary Shareholders Meeting of PGNiG  
on October 26th 2006**

Current Report No. 73/2006 dated 26 October 2006

The Management Board of Polskie Górnictwo Naftowe i Gazownictwo SA ("PGNiG") hereby releases the resolutions passed by the Extraordinary Shareholders Meeting of PGNiG on October 26th 2006.

**Resolution No. 1  
of the Extraordinary General Shareholders Meeting of  
Polskie Górnictwo Naftowe i Gazownictwo SA of Warsaw,  
dated 26 October 2006**

**concerning:** determination of the manner of voting by the Proxy of PGNiG S.A. at the General Shareholders Meeting of Geovita Sp. z o.o.

Acting pursuant to Par. 56.6.2.a of the Company's Articles of Association, considering the positive opinion of the Supervisory Board contained in Resolution No. 110/IV/2006 of September 12th 2006 concerning the Management Board's motion contained in Resolution No. 632/2006 of September 5th 2006 the Extraordinary General Shareholders Meeting resolves as follows:

Par. 1.

It is hereby resolved that the Proxy of Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna of Warsaw shall vote at the General Shareholders Meeting of Geovita Sp. z o.o. in accordance with the aforementioned motion of the Management Board, i.e. **FOR** adopting a resolution on the following change in the Deed of Incorporation of Geovita Sp. z o.o., with respect to the scope of the company's of business:

- a) Sections 11, 12 and 27 shall be deleted from Par. 4 of the Deed of Incorporation;
- b) In Par. 4 of the Deed of Incorporation, existing Sections 13–59 shall be renumbered as 11–56.

Par. 2.

The Resolution shall become effective as of its adoption date.

**Resolution No. 2  
of the Extraordinary General Shareholders Meeting of  
Polskie Górnictwo Naftowe i Gazownictwo SA of Warsaw,  
dated 26 October 2006**

**concerning:** amendment to the Company's Articles of Association

Acting pursuant to Art. 430 § 1 of the Commercial Companies Code and § 56 section 4 point 6 of the Statutes of PGNiG S.A., the Extraordinary General Meeting of PGNiG hereby resolves to introduce the following amendments to the Articles of Association of PGNiG S.A.:

1. In § 6, points 48 and 49 shall be added to read as follows:
  - "48) other financial intermediation,
  - 49) management activities of holding companies."

2. In § 10, section 3 shall be amended to read as follows: “3. The rules, procedure and conditions governing the redemption of shares shall be determined each time by a resolution of the General Meeting.”
3. § 17 shall be amended to read as follows: “1. The shareholder, i.e. the State Treasury represented by the minister responsible for matters pertaining to the State Treasury, shall have the rights arising under these Articles of Association and separate provisions. 2. The shareholder, i.e. the State Treasury represented by the minister responsible for matters pertaining to the State Treasury, shall approve in writing: 1) any changes to material provisions of the existing trade agreements for import of natural gas to Poland, as well as conclusion of such agreements, 2) any strategic investment projects or the Company’s involvement in investment projects which, permanently or temporarily, impair the economic efficiency of the Company’s business activities but which are necessary to ensure Poland’s energy security. 3. Motions concerning matters specified in Clause 2 should be submitted together with the Management Board’s statement of reasons and the Supervisory Board’s written opinion.”
4. In § 19, after the words “sustaining votes taken together” an additional passage shall be added to read as follows:  
“with the proviso that:  
1) in the event that the number of votes “for” a resolution of the Management Board is equal to the number of votes “against” and the “sustaining votes” taken together, the President of the Management Board shall have the casting vote,  
2) in the event that the number of votes “for” a resolution of the Supervisory Board is equal to the number of votes “against” and the “sustaining votes” taken together, the Chairman of the Supervisory Board shall have the casting vote.”
5. In § 20, section 3 shall be added to read as follows: “The Management Board shall be headed by the President of the Management Board.”
6. In § 21 section 4, the words “the President of the Management Board” shall be replaced with the words “the Management Board member designated in the resolution referred to in § 22 section 2 point 5.”
7. In § 22 section 2, points 5 to 9 shall be designated as points 6 to 10.
8. In § 22 section 2, point 5 shall be added to read as follows:  
“5) division of powers between the Management Board members, with the proviso that a relevant resolution of the Management Board shall require approval of the Supervisory Board, pursuant to § 33 section 1 point 11.”
9. § 22 section 2 points 6, 7, 8 and 9 shall have the following wording:  
“6) to contract and grant loans and to contract credits, subject to § 33 section 2 point 3 and § 33 section 3 point 16,  
7) to adopt annual plans of business activities, including investment plans and long-term strategic plans as well as investment plans connected with the development of the transmission system, subject to § 33 section 1 point 6,  
8) to contract contingent obligations, including guarantees and sureties given by the Company, and to issue bills of exchange, subject to § 33 section 2 point 3 and § 33 section 3 point 16,  
9) to dispose of and to acquire fixed assets, including real estate, perpetual usufruct rights and interests in real estate, with the value equal to or exceeding the Polish złoty equivalent of EUR 50,000, subject to § 33 section 2 points 1 and 2 and § 56 section 3 points 2 and 3,”

10. In § 22 section 2, point 11 shall be added to read as follows:  
“11) approval of the information specified in § 23 section 2.”
11. In § 23 section 1, reference to point 6 shall be replaced with reference to point 7.
12. In § 23, section 2 shall read as follows: “2. The Company’s Management Board shall submit to the minister responsible for matters pertaining to the State Treasury and the minister responsible for the economy, each time at the demand of these authorities, detailed reports on the performance of tasks undertaken with a view to ensuring the country’s energy security.”
13. In § 25 section 3 shall have the following wording: “3. A Management Board member shall be obliged to submit his/her resignation to the Supervisory Board and to communicate this fact to the shareholder, i.e. the State Treasury represented by the minister responsible for matters pertaining to the State Treasury. The resignation shall be submitted in writing or else shall be ineffective with respect to the Company. The provisions of the Civil Code relating to termination of contracts by contractors shall apply accordingly to the resignation of a Management Board member.”
14. In § 27, section 1 shall have the following wording:  
“1. The Supervisory Board shall order election by the Company’s employees of the candidate for the position of a Management Board member for the next term of office within two months from the end of the last full financial year in which such Management Board member performed his/her function. The election should take place within two months from the day it is ordered by the Supervisory Board.”
15. In § 27, section 3 shall read as follows:  
“3. The additional election and voting on the removal of a Management Board member shall be ordered by the Supervisory Board within the maximum period of one month from the day the Supervisory Board becomes aware of an event substantiating the need to carry out the election or voting. Such election or voting should take place within two months from the day it is ordered by the Supervisory Board.”
16. In § 29, section 1 point 3 shall have the following wording:  
“3) participate in the work of the Management Board according to the principles set out in the Commercial Companies Code, these Articles of Association and the agreement referred to in point 1 above.”
17. § 30 shall read as follows: “The principles and amount of remuneration of Management Board members shall be determined by the General Meeting.”
18. In § 31 section 2, the words “President of the Management Board” shall be replaced with the words “Management Board member designated in the resolution referred to in § 22 section 2 point 5.”
19. In § 33 section 1 point 6 shall have the following wording:  
“6) adopting annual plans of business activities, including investment plans and long-term strategic plans as well as investment plans connected with the development of the transmission system.”
20. In § 33 section 1 point 11 shall have the following wording:  
“11) approval of the Management Board’s resolution on the division of powers between the Management Board members.”

21. In § 33 section 1, point 13 shall be added to read as follows: “13) opining the information specified in § 23 section 2.”
22. In § 33 section 1, point 14 shall be added to read as follows: “14) opining the motions specified in § 17 section 3.”
23. In § 33 section 2 points 1, 2 and 3 shall read as follows:
  - “1) acquiring fixed assets, including real estate, perpetual usufruct rights and interests in real estate, with the value representing the Polish złoty equivalent of EUR 500,000 to EUR 2,000,000, except for transactions concluded on the basis of the plans approved by the Supervisory Board and specified in section 1 point 6,
  - 2) disposal of fixed assets, including real estate, perpetual usufruct rights and interests in real estate, with the value representing the Polish złoty equivalent of EUR 500,000 to EUR 1,000,000, except for transactions concluded on the basis of the plans approved by the Supervisory Board and specified in section 1 point 6,
  - 3) assuming other obligations with the value exceeding 20% of the Company’s share capital, except for obligations assumed on the basis of the plans approved by the Supervisory Board, referred to in section 1 point 6.”
24. In § 33 section 2, point 4 shall be deleted.
25. In § 33 section 3 point 7, at the end, after the word “companies”, an additional passage shall be added to read as follows: “in cases where consent to holding such posts is required under the law.”
26. In § 33 section 3 point 10, the words “Minister of the State Treasury” shall be replaced with the words “the shareholder, i.e. the State Treasury represented by the minister responsible for matters pertaining to the State Treasury.”
27. In § 33 section 3, points 13, 14, 15 and 16 shall be added to read as follows:
  - “13) approval of the manner of exercising the voting right by a representative of PGNiG S.A. at the general shareholders meetings of distribution companies with respect to matters concerning approval of such companies’ long-term strategic business plans,
  - 14) approval of the manner of exercising the voting right by a representative of PGNiG S.A. at the general shareholders meetings of distribution companies with respect to matters concerning:
    - a) amendments to a company’s statutes or articles of association,
    - b) increase or reduction of a company’s share capital,
    - c) merger, transformation or division of a company,
    - d) sale of a company shares,
    - e) sale and lease of a company’s enterprise or an organized part thereof and establishing limited rights in property thereon,
    - f) dissolution and liquidation of a company.
  - 15) approval of the manner of exercising the voting right by a representative of PGNiG S.A. at the general shareholders meetings of the companies in which the Company holds at least 50% of shares, subject to point 14, with respect to matters concerning:
    - a) amendments to a company’s statutes or articles of association,
    - b) increase or reduction of a company’s share capital,
    - c) merger, transformation or division of a company,
    - d) sale of a company shares,
    - e) sale and lease of a company’s enterprise or an organized part thereof and establishing limited rights in property thereon,
    - f) dissolution and liquidation of a company,
    - g) establishing pledges or other encumbrances on a company shares,
    - h) obligations to make additional payments,

- i) issue of bonds.
- 16) Opining the Management Board's motions concerning the assumption of obligations with the value exceeding the Polish zloty equivalent of EUR 100,000,000, subject to section 2."
28. In § 35, section 5 shall be amended to read as follows: "5. A Supervisory Board member shall submit his/her resignation to the Management Board and shall communicate the fact to the State Treasury (the Shareholder) represented by the minister responsible for matters pertaining to the State Treasury. The resignation shall be made in writing or else shall be ineffective with respect to the Company. The provisions of the Civil Code relating to termination of contracts by contractors shall apply accordingly to the resignation of a Supervisory Board member".
29. In § 37, section 1 shall be amended to read as follows:  
"1. In the case of the Supervisory Board composed of up to six members, two of them shall be appointed from amongst the candidates elected by the Company's employees. In the case of the Supervisory Board composed of seven to nine members, three of them shall be appointed from amongst the candidates elected by the Company's employees."
30. § 40 shall be deleted.
31. In § 42, section 5 shall be designated as section 6.
32. In § 42, section 5 shall be added to read as follows: "5. In the case of death, removal from office or resignation of the Chairman and Deputy Chairman of the Supervisory Board during the term of office, a Supervisory Board meeting may be convened by any member of the Supervisory Board. The provisions of § 43 shall apply accordingly. In the event of failure to convene a meeting in accordance with the procedure set forth above within one month of the death, removal from office or resignation of the Chairman and Deputy Chairman of the Supervisory Board, the Supervisory Board meeting shall be convened by the Management Board".
33. In § 49, section 5 shall be added and read as follows:  
"5. The General Meeting may remove an issue included in its agenda from the agenda or may elect not to consider such an issue by way of a resolution adopted with a majority of three-quarters of votes. If an issue has been included in the agenda for the General Meeting upon a shareholder's motion, its removal or decision not to consider it shall additionally require the consent of all shareholders who submitted such a motion and are present at the General Meeting. The motion concerning the removal of an issue included in the agenda of the General Meeting or decision not to consider such an issue should be accompanied by a detailed justification."
34. In § 53, section 2 shall be deleted.
35. In § 56 section 2 point 4, the phrase "subject to § 30 sec. 2" shall be deleted.
36. In § 56 section 3, point 2 and 3 shall read as follows:  
"2) acquisition of fixed assets, including real estate, usufruct right or interests in real estate with a value exceeding the Polish zloty equivalent of EUR 2,000,000,  
3) sale of fixed asset, including real estate, usufruct right or interests in real estate with a value exceeding the Polish zloty equivalent of EUR 1,000,000,"
37. In § 56 section 3, point 6 shall read as follows:

“6) an issue of convertible bonds or bonds with pre-emptive rights and an issue of subscription warrants, specified in Art. 453 § 2 of the Commercial Companies Code,”

38. In § 56 section 6, the phrase “in the above cases” shall be deleted.
39. In § 56 section 6 point 1 letter c, the phrase: “or shares taken up in exchange for convertible receivables referred to in Art. 23 of the Act on Commercialization and Privatization” shall be deleted.
40. In § 56 section 6, point 2 shall be deleted.
41. In § 56, section 7 shall be deleted.
42. § 57 shall read as follows:
  - “1. Applications concerning the matters specified in § 56 should be filed together with a justification and written opinion of the Supervisory Board. No opinion of the Supervisory Board shall be required for applications concerning Supervisory Board members, in particular in the cases referred to in § 56 sec. 1 point 2, sec. 2 point 1 and sec. 4 point. 8. No justification by the Management Board shall be required for applications concerning Management Board members, in particular in the case referred to in § 56 sec. 1 point 2.
  2. The requirement to issue an opinion on an application shall not apply in the case referred to in Art. 384 § 2 of the Commercial Companies Code.”
43. In § 62 section 4, the phrase “by the end of the fifth month from the balance sheet date” shall be deleted.
44. In § 62 section 8, the phrase “by the end of the seventh month from the balance sheet date” shall be deleted.
45. In § 63, section 5 shall be deleted.
46. In § 63 section 7, the word “Ordinary” shall be deleted.
47. In § 64 section 4 shall read as follows: “4. The Company’s Management Board shall be obliged to deliver information within the scope and the dates provided in the Polish Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies, dated July 29th 2005 (Journal of Laws No. 184, item 1539), and in the ordinance of the Minister of Finance on current and periodic information to be published by issuers of securities, dated October 19th 2005 (Journal of Laws No. 209, item 1744), or in other relevant legal acts which will replace the indicated law or ordinance”.
48. In § 65, section 5 shall be added and read as follows:
  - “5. Whenever the Company Articles of Association refer to the value of the object of a transaction conducted by the Company, such value shall comprise VAT and excise tax if, pursuant to separate regulations, such a transaction is subject to VAT and excise tax.”
49. In § 66 section 3, point 1 shall be deleted.
50. In § 66 section 3, points 2 to 4 shall read as follows:
  - 2) “Commercial Companies Code” means the law dated September 15, 2000 – Commercial Companies Code (Journal of Laws No. 94 item 1037 as amended),
  - 3) “Connected Entity” means in relation to the respective entity “connected entity” according to the definition in the Ordinance of the Minister of Finance on current and

periodic information to be published by issuers of securities (Journal of Laws No. 209, item 1744), dated October 19th 2005,

4) the terms “dominant entity” and “dependent entity” should be interpreted according to the provisions of the Polish Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies, dated July 29th 2005 (Journal of Laws No. 184, item 1539)”.

51. In § 66 section 3, points 5 and 6 shall be deleted.

The following shareholders of the Company: Bolesław Potyrała, Józef Ryl and Juliusz Wroński, lodged their objections against the above resolution.

**Resolution No. 3  
of the Extraordinary General Shareholders Meeting of  
Polskie Górnictwo Naftowe i Gazownictwo SA of Warsaw,  
dated 26 October 2006**

**concerning:** appointment of member to the Supervisory Board of PGNiG S.A.

Pursuant to Art. 385.1 of the Polish Companies Code and Par. 56.2.1) of the Company's Articles of Association:

Par. 1

Mr Jarosław Wojtowicz is hereby appointed member of the Supervisory Board of Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna.

Par. 2

The resolution shall become effective as of its adoption date.