

APPENDIX 1 TO THE MERGER PLAN

Draft resolution of the General Meeting of the Acquiring Company on the Merger and amendments to the Statutes.

RESOLUTION NO. [●]
of the General Meeting of PGE Polska Grupa Energetyczna S.A.
dated [●] 2010
on merger with the Acquired Company and amendments to the Statutes

Acting pursuant to art. 506 § 1 and § 4 of the Act dated 15 September 2000 - the Commercial Companies Code (Journal of Laws of 2000, No. 94, item 1037, as subsequently amended) (hereinafter the "CCC"), having first heard out verbal explanations of the Management Board regarding the important elements of the Merger Plan:

§ 1

Merger

1. The General Meeting of the Acquiring Company, i.e. PGE Polska Grupa Energetyczna S.A. with its registered office in Warsaw, decides to resolve a merger of the Acquiring Company with the Acquired Company, i.e. PGE Electra S.A. with its registered office in Warsaw, in the manner prescribed in art. 492 § 1 item 1 of the CCC, art. 515 § 1 of the CCC, art. 516 § 6 of the CCC, i.e. by way of transferring the entire assets of the Acquired Company onto the Acquiring Company, without increasing the share capital of the Acquiring Company and without issue of new shares of the Acquiring Company in exchange for the shares of the Acquired Company.
2. In line with art. 506 § 4 of the CCC, the General Meeting of the Acquiring Company grants its consent to the Merger Plan concerning merger with the Acquired Company, announced in the Court and Economic Monitor No. [●] dated [●] 2010 under item [●], constituting Appendix 1 hereto.
3. In line with art. 506 § 4 of the CCC, the General Meeting of the Acquiring Company consents to the proposed amendments to the Statutes of the Acquiring Company, specified in Appendix 2 to the Merger Plan and in § 2 herein.

§ 2

Amendments to the Statutes of the Acquiring Company

1. General Meeting of the Acquiring Company grants its consent to the amendments of § 3 section 1, § 6, § 14 section 2 p. 3 and § 18 section 2 p. 6 to the Statutes of the Acquiring Company. The above articles shall be amended to read:
 - 1) "§ 3
 1. The Company's economic activity shall include the following:-----
 - 1) Activities of head offices and holdings, except financial holdings (PKD 70.10.Z),
 - 2) Activities of holding companies (PKD 64.20.Z), -----

- 3) Regulation of and contribution to more efficient operation of businesses (PKD 84.13.Z), -----
- 4) Management consultancy activities (PKD 70.2),-----
- 5) Trusts, funds and similar financial entities (PKD 64.30.Z), -----
- 6) Other financial service activities, except insurance and pension funding (PKD 64.9), -----
- 7) Other activities auxiliary to financial services, except insurance and pension funding (PKD 66.19.Z), -----
- 8) Other monetary intermediation (PKD 64.19.Z),-----
- 9) Electric power generation, transmission and distribution (PKD 35.1), -----
- 10) Manufacture of gas; distribution of gaseous fuels through mains (PKD 35.2),-----
- 11) Generation and supply of steam, hot water and air to air conditioning systems (PKD 35.3),-----
- 12) Mining of hard coal (PKD 05.10.Z), -----
- 13) Mining of lignite (PKD 05.20.Z),-----
- 14) Mining and quarrying n.e.c. (PKD 08.9),-----
- 15) Support activities for other mining and quarrying (PKD 09.90.Z), -----
- 16) Manufacture and processing of coke oven products (PKD 19.10.Z), -----
- 17) Transport via pipeline (PKD 49.50), -----
- 18) Water collection, treatment and supply (PKD 36.00.Z), -----
- 19) Construction of utility projects (PKD 42.2), -----
- 20) Construction of other civil engineering projects n.e.c. (PKD 42.99 Z),-----
- 21) Specialised construction activities (PKD 43), -----
- 22) Construction of residential and non-residential buildings (PKD 41.20.Z), -----
- 23) Construction of water projects (PKD 42.91.Z), -----
- 24) Architectural and engineering activities and related technical consultancy (PKD 71.1), -----
- 25) Specialised design activities (PKD 74.10.Z), -----
- 26) Technical testing and analysis (PKD 71.20), -----

- 27) Other research and experimental development on natural sciences and engineering (PKD 72.19.Z), -----
- 28) Operation of gravel and sand pits; mining of clays and kaolin (PKD 08.12.Z), ----
- 29) Wholesale on a fee or contract basis (PKD 46.1),-----
- 30) Other specialised wholesale (PKD 46.7),-----
- 31) Wholesale of fuels and related products (PKD 46.71.Z)-----
- 32) Telecommunications (PKD 61), -----
- 33) Computer programming, consultancy and related activities (PKD 62), -----
- 34) Data processing, hosting and related activities (PKD 63.11.Z),-----
- 35) Market research and public opinion polling (PKD 73.20.Z),-----
- 36) Other education n.e.c. (PKD 85.59), -----
- 37) Accounting, bookkeeping and auditing activities; tax consultancy (PKD 69.20.Z),
- 38) Manufacture of metal structures and parts of structures (PKD 25.11.Z),-----
- 39) Manufacture of electricity distribution and control apparatus ----- (PKD 27.12.Z),
- 40) Manufacture of electronic components (PKD 26.11.Z), -----
- 41) Manufacture of wiring devices (PKD 27.33.Z), -----
- 42) Manufacture of other electrical equipment (PKD 27.90.Z), -----
- 43) Repair and installation of machinery and equipment (PKD 33),-----
- 44) Security systems service activities (PKD 80.20.Z),-----
- 45) Freight rail transport (PKD 49.20.Z), -----
- 46) Freight transport by road (PKD 49.41.Z), -----
- 47) Service activities incidental to land transportation (PKD 52.21.Z), -----
- 48) Cargo handling (PKD 52.24.C),
- 49) Renting and leasing of other machinery, equipment and tangible goods n.e.c. (PKD 77.39.Z), -----
- 50) Renting and leasing of other machinery, equipment and tangible goods n.e.c. (PKD 77.39.Z), -----
- 51) Renting and leasing of construction and civil engineering machinery and equipment (PKD 77.32.Z),-----

- 52) Waste collection, treatment and disposal activities; materials recovery (PKD 38),-
- 53) Sewerage (PKD 37.00.Z), -----
- 54) Defence activities (PKD 84.22.Z), -----
- 55) Business support service activities n.e.c. (PKD 82.9), -----
- 56) Activities of agents specialised in the sale of other particular goods (PKD 46.18.Z),-----
- 57) Activities of agents involved in the sale of various goods (PKD 46.19.Z)-----”

2) “§ 6

- 1. The founder of the Company is the State Treasury.
- 2. Pursuant to article 492 § 1 item 1 of the Commercial Companies Code, the Company (as the acquiring company) has been merged with the following companies: PGE Górnictwo i Energetyka S.A. with the registered office in Łódź, PGE Energia S.A. with the registered office in Lublin.
- 3. Pursuant to article 492 § 1 item 1 of the Commercial Companies Code, the Company (as the acquiring company) has been merged with PGE Electra S.A. with the registered office in Warsaw.”

3) “§ 14 section 2

3) the Company's entering into agreements other than these mentioned above or incurring liabilities other than these mentioned above in the amount exceeding 400,000 euro, excluding the agreements and liabilities related to transactions in trading of electricity, related products and connected rights and related to purchase and sale of fuels.”

4) “§ 18 section 2

- 6) the Company's entering into agreements other than these referred to above or incurring liabilities other than these mentioned above whose value is equal to or higher than 100,000,000.00 euros; however, the Company's entering into agreements with directly or indirectly subordinate companies (within the meaning of the Commercial Companies Code) and entering into agreements or incurring liabilities related to trade of electricity, related products and connected rights and fuels trade, shall not require the Supervisory Board's consent,”
- 2. The change of Company’s activities may occur without obligation of redemption of shares, if the resolution is adopted by the majority of two thirds of votes in presence of shareholders representing at least half of the share capital.

§ 3

The Resolution shall become effective as of the date of its adoption, and within the scope of amendments to the Statutes of the Acquiring Company as of the date of entry to the Register of Entrepreneurs of the National Court Register.

Draft resolution of the General Meeting of the Acquired Company on the Merger.

**RESOLUTION NO. [●]
of the General Meeting of PGE Electra S.A.
dated [●] 2010
on merger with PGE Polska Grupa Energetyczna S.A.**

Acting pursuant to art. 506 § 1 and § 4 of the Act dated 15 September 2000 - the Commercial Companies Code (Journal of Laws of 2000, No. 94, item 1037, as subsequently amended) (hereinafter the “CCC”), having first heard out verbal explanations of the Management Board regarding the important elements of the Merger Plan:

§ 1

Merger

1. The General Meeting of the Acquired Company. PGE Electra S.A. with its registered office in Warsaw, decides to resolve a merger of the Acquired Company with the Acquiring Company, i.e. PGE Polska Grupa Energetyczna S.A. with its registered office in Warsaw, in the manner prescribed in art. 492 § 1 item 1 of the CCC, art. 515 § 1 of the CCC, art. 516 § 6 of the CCC, i.e. by way of transferring the entire assets of the Acquired Company onto the Acquiring Company, without increasing the share capital of the Acquiring Company and without issue of new shares of the Acquiring Company in exchange for the shares of the Acquired Company.
2. In line with art. 506 § 4 of the CCC, the General Meeting of the Acquired Company grants its consent to the Merger Plan concerning merger with the Acquiring Company, announced in the Court and Economic Monitor No. [●] dated [●] 2010 under item [●], constituting Appendix 1 hereto.
3. In line with art. 506 § 4 of the CCC, the General Meeting of the Acquired Company consents to the proposed amendments to the Statutes of the Acquiring Company, specified in Appendix 2 to the Merger Plan and in § 2 herein.

§ 2

Amendments to the Statutes of the Acquiring Company

1. General Meeting of the Acquired Company grants its consent to the amendments of § 3 section 1, § 6, § 14 section 2 p. 3 and § 18 section 2 p. 6 to the Statutes of the Acquiring Company. The above articles shall be amended to read:
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