



Adres siedziby: Bogdanka, 21-013 Puchaczów (PL)  
Centrala telefoniczna: +48 81 462 51 00, +48 81 462 51 01  
Faks: +48 81 462 51 91, +48 81 462 56 17  
<http://www.bogdanka.eu>, e-mail: [bogdanka@lw.com.pl](mailto:bogdanka@lw.com.pl)

NIP 713-000-57-84, REGON 430309210, KRS 0000004549  
Sąd Rejonowy w Lublinie XI Wydział Gospodarczy Krajowego Rejestru Sądowego  
Wysokość kapitału zakładowego i kapitału wpłaconego Spółki 170.067.950,00 PLN  
KONTO: PEKAO S.A. III O/LUBLIN - 88 1240 2382 1111 0000 3893 3280

Bogdanka, 13 May 2010

### **Annual General Shareholders Meeting of Lubelski Węgiel Bogdanka S.A.**

#### **MOTION TO AMEND THE ARTICLES OF ASSOCIATION OF LUBELSKI WĘGIEL BOGDANKA S.A.**

On 13 May 2010 the Management Board of Lubelski Węgiel Bogdanka S.A. (the “Management Board”) adopted resolution No. 569/VI/2010 on introducing amendments to the Articles of Association (the “Articles of Association”) of Lubelski Węgiel Bogdanka S.A. (the “Company”) and convened the Annual General Shareholders Meeting for 10 June 2010, with agenda including the amendments referred to above.

The proposed amendments are largely a result of the Company ceasing to be a company with majority stake held by the State Treasury. The amendments are intended to adjust the Company to operating in its new legal environment, in particular through adapting the rules of the functioning of the Company bodies to a situation of a more decentralised shareholding structure. The proposed amendments to the Articles of Association may be broadly divided into three categories:

- a) Amendments resulting from the fact of the Company ceasing to be a company whose majority shareholder is the State Treasury, and the consequent fact of a number of legal regulations no longer applying to the Company; this includes a portion of the provisions of the Act on Commercialisation and Privatisation of 30 August 1996 and of the Act on Remuneration of Persons Managing Certain Legal Entities of 3 March 2000;
- b) Amendments resulting from the need to adjust the rules of the functioning of the Company bodies to a situation of a more decentralised shareholder structure, in

particular through increasing their powers and strengthening the supervisory role of the Supervisory Board and reducing the role played by the General Shareholders Meeting;

- c) Editing and formal amendments.

In addition to the reasons listed above, introduction of such amendments is also justified by the economic validity of bringing the Company, in its regulatory aspects, closer to the majority of other companies listed at the Warsaw Stock Exchange. These actions are expected to result in increasing the Company's operational capability, and therefore to significantly increase the attractiveness of the Company's shares for potential investors.

The most important amendments to the Articles of Association would be as follows:

1. Due to the Company ceasing to be a company whose majority shareholder is the State Treasury, the following provisions of the Articles of Association have been deleted or amended:
  - a) provision concerning the necessity of conducting a verification procedure with regard to candidates for Management Board members. (**Article 25.2 and Article 32.3.5 of the Draft Articles of Association**);
  - b) provision concerning the amount of the remuneration of the members of the Company's Management Board; further, the powers concerning this matter, previously granted to the General Shareholders Meeting, have been transferred to the Supervisory Board (**Article 28.4, Article 29, Article 32.3.2, Article 43.5 and Article 52.2.2 of the Draft Articles of Association**);
  - c) provisions concerning the requirement of the Management Board obtaining permission for the conclusion of agreements unrelated to the core business of the Company (**Article 32.2.3 of the Draft Articles of Association**);
  - d) provisions concerning the requirements of applying the provisions of the Public Procurement Act of 29 January 2004 (**Article 55.2-5 of the Draft Articles of Association**).
2. Changing the powers of the Supervisory Board regarding:

- a) concluding agreements with members of the Management Board resulting in claims arising on part of the Company, as well as the Company granting loans, suretyships, issuing promissory notes or granting any other form of debt and regarding the issue of bonds (**Article 32.2.5-7, Article 52.3.3 and Article 52.3.5 of the Draft Articles of Association**);
- b) adjusting the powers of the Supervisory Board to the scale of the Company's business, including increasing the limits of the amounts that require the consent of the Supervisory Board for their acceptance (**Article 32.1.11, Article 32.2.1 of the Draft Articles of Association**).
3. Improving the operation of the Company through:
- a) a division of powers between the Company bodies regarding the acquisition, sale and disposal of shares in other companies, depending on the value of such shares (**Article 32.4-5 and Article 52.5 of the Draft Articles of Association**);
- b) excluding the requirement of obtaining the consent of the General Shareholders Meeting in order to conduct certain activities regarding the operation of the Company's business (**Article 52.3.2, Article 52.3.11 and Article 52.6-7 of the Draft Articles of Association**).

In light of the above, the Management Board of the Company applies and recommends that the General Shareholders Meeting introduce the proposed amendments to the Company's Articles of Association.

**Mirosław Taras**      **President of the Board**

  
-----

**Krystyna Borkowska**      **Vice-President of the Board  
for Economic and Financial Affairs –  
Chief Accountant**

  
-----

**Waldemar Bernaciak**      **Vice-President of the Board for Trade  
and Logistics**

  
-----

**Zbigniew Stopa**      **Vice-President of the Board  
for Technical Affairs**



**Janusz  
Chmielewski**      **Member of the Board elected by  
employees**



Appendix: Existing provisions of the Articles of Association and the proposed amendments