

# **REGULATIONS OF EMPLOYEE CAPITAL PLAN**

## **PFR PPK**

### **SPECJALISTYCZNY FUNDUSZ INWESTYCYJNY OTWARTY (PFR PPK SPECIALISED OPEN INVESTMENT FUND)**

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with its fully paid-in share capital amounting to PLN 48 000 000.



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## I. GENERAL PROVISIONS

### § 1. INTRODUCTION

1. These Regulations define the rights and obligations of entities indicated in the ECP Management Agreement and ECP Operation Agreement, as well as the terms and conditions for ECP operation by PFR PPK Specjalistyczny Fundusz Inwestycyjny Otwarty.
2. The ECP Management Agreement and ECP Operation Agreement together with appendices thereto are draft agreements defined by the Fund. If the Employer introduces any changes to the wording of those Agreements or appendices thereto going beyond their original draft versions effective as of their drafting date, this shall have no legal consequences for the Fund.
3. If the situation is as indicated in section 2, said Agreements shall continue in force in their draft form effective as of their drafting which was made available to the Employer.

### § 2. DEFINITIONS

1. The following meaning shall be assigned to the terms and definitions used herein:
  - 1) **Transfer Agent** – PKO BP Finat Sp. z o.o., residing in Warsaw at ul. Grójecka 5, 02-019 Warszawa - this shall be the entity which, under an agreement concluded with the Company, keeps a Register of Fund Participants and Subregisters for every Subfund;
  - 2) **Subfund Assets** - shall mean the assets of every Subfund including money due to Payments to a given Subfund, funds, rights acquired as part of the Subfund and benefits reaped from such rights; the Assets of all Subfunds together form Fund Assets;
  - 3) **Debt Portion** - a portion of Subfund Assets defined in the Statutes;
  - 4) **Share Portion** - a portion of Subfund Assets defined in the Statutes;
  - 5) **Participant Child** - shall refer to Participants' own children, children of Participant Spouses, children adopted by Participants or Participant Spouses, as well as children for whom there are pending adoption proceedings initiated at the request of a Participant or their Spouse and children under the care of a Participant or their Spouse;
  - 6) **Valuation Date** - any day on which there is a regular session of the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.);
  - 7) **Fund** – PFR PPK Specjalistyczny Fundusz Inwestycyjny Otwarty (PFR PPK Specialised Open Investment Fund) with the relevant Fixed Term subfunds, represented and managed by the Company;
  - 8) **IAT FI or IAT FI Application** – an online application made available to ECP Participants so that they could place orders with, issue instructions for, and submit declarations of intent to the Fund and obtain information about their participation in ECP. Detailed terms and conditions, including technical terms and conditions, pertaining to the rendering of services via the IAT FI Application are presented in the IAT FI Regulations;
  - 9) **Summary Information** - information submitted in electronic form to the Transfer Agent by the Employer on the day of making Payments to ECP and including at least the List of Participants for whose benefit that Payment to ECP is made and defining payments made as base Employer Payment, base Participant Payment, additional Employer Payment, and additional Participant Payment;
  - 10) **IRA** - an individual retirement account in the meaning of the Act on Individual Retirement Accounts of 20 April 2004;
  - 11) **Another Financial Institution** - shall mean the following entities not being the Fund:
    - a) an investment fund managed by an investment fund company,



- b) a pension fund managed by a universal pension fund management company,
  - c) a pension fund managed by an employee pension fund management company,
  - d) an insurance company recorded in the register of ECP in line with the provisions of chapter 10 of the Act;
- 12) **iECP or iECP Application** - an internet application made available to the Employer in order to facilitate the use of ECP by the Employer and making it possible to, in particular, conclude the ECP Operation Agreement in electronic form, generate and deliver the List of Participants and Summary Information to the Transfer Agent for further processing, handle Participant instructions submitted to the Employer, generate documents for printing and document templates, and acquire reports regarding ECP. Detailed terms and conditions, including technical terms and conditions, pertaining to the rendering of services via the iECP Application are presented in the iECP Regulations;
  - 13) **Participation Unit** - shall mean the Participation Unit defined in the Statutes;
  - 14) **List of Participants** - shall mean a list of participants containing, in particular, their identification data and constituting an appendix to the ECP Operation Agreement;
  - 15) **Participant Spouse** - a person married to a Participant;
  - 16) **Minimum Remuneration** - shall mean the minimum remuneration discussed in Article 2 of the act of 10 October 2002 on minimum wage;
  - 17) **Authorised Person** - a natural person designated by a Participant or an heir of a Participant who, pursuant to rules provided for in the Act, is to receive funds collected on that Participant's ECP Account in the event of that Participant's death;
  - 18) **Employee** - shall mean:
    - a) employees, as defined in Article 2 of the Labour Code Act of 26 June 1974, except for employees on miner's leave or leave for employees of mechanical coal processing plants discussed in Article 11b of the act of 7 September 2007 on the functioning of hard coal mining and young employees, as defined in Article 190 § 1 of the Labour Code Act of 26 June 1974,
    - b) natural persons doing outwork / working in a cottage industry who are over 18 years of age and are discussed in the executive regulations issued on the basis of Article 303 § 1 of the Labour Code Act of 26 June 1974,
    - c) members of agricultural production cooperatives or cooperatives formed by farmers' associations, as discussed in Articles 138 and 180 of the act of 16 September 1982 - Cooperative Law,
    - d) natural persons who are over 18 years of age and work under an agency agreement or a contract of mandate or another type of service provision agreement to which provisions regarding contracts of mandate are applied under Article 750 of the Civil Code of 23 April 1964,
    - e) members of supervisory boards receiving remuneration on account of holding such a position,
    - f) people indicated in points a to d while on child care leave or receiving maternity benefit or a benefit whose amount corresponds to that of the maternity benefit,
      - people subject to mandatory old age pension and disability pension insurance for the above-indicated reasons in Poland, defined in the Social Insurance System Act of 13 October 1998;
  - 19) **EPS** - employee pension scheme, as defined in the Occupational Pension Schemes Act of 20 April 2004;
  - 20) **ECP** - employee capital plan, as defined in the Act;
  - 21) **Serious Illness** - shall mean:
    - a) being completely incapable of working as per the Act of 17 December 1998 on Old-Age and Disability Pensions from the Social Insurance Fund confirmed in the form of a medical decision by a



- certifying physician or a medical committee of the Social Insurance Institution for a period of at least 2 years or
- b) being incapable of working to a moderate or considerable extent as per the Act of 27 August 1997 on Vocational and Social Rehabilitation and Employment of Persons with Disabilities on the basis of a decision made by a committee for declaring disability for a period of at least 2 years, or
  - c) disability of a person who is under 16 years of age as per the Act of 27 August 1997 on Vocational and Social Rehabilitation and Employment of Persons with Disabilities, confirmed by means of a decision issued by a committee for declaring disability, or
  - d) an adult being diagnosed with one of the following illnesses / conditions: limb amputation, bacterial meningitis, viral meningitis, Alzheimer's disease, Leśniewski-Crohn disease, motor neuron disease (amyotrophic lateral sclerosis), Parkinson's disease, muscular dystrophy, tuberculosis, kidney failure, multiple sclerosis, illness caused by the human immunodeficiency virus (HIV), cardiomyopathy, malignant tumour, systemic lupus erythematosus, brain stroke, speech, sight, or hearing loss, ulcerative colitis or a cardiac arrest, or
  - e) a child being diagnosed with one of the following illnesses / conditions: poliomyelitis (Heine-Medin disease), meningitis, encephalitis, aplastic anemia, chronic active hepatitis, epilepsy, rheumatic fever, acquired chronic heart disease, paralysis, loss of sight or hearing, post-transfusion infection with HIV, end-stage renal disease, tetanus, diabetes, mild tumour, organ transplantation, reconstruction surgery for heart valves, reconstruction surgery for the aorta, or malignant tumour;
- 22) **Brochure** - shall mean the Fund's informational brochure as defined in the Investment Funds Act and in the Regulation of the Minister of Finances of 22 May 2013 on informational brochures of open investment funds and specialised open investment funds and on calculating risk indicators for such funds;
  - 23) **Employer** - shall mean:
    - a) employer as per Article 3 of the Labour Code of 26 June 1974 - for employers discussed in point a of the Employee definition,
    - b) outwork employer - for employees discussed in point b of the Employee definition,
    - c) agricultural production cooperative or farmers' association cooperatives - for employees discussed in point c of the Employee definition,
    - d) employer / mandator - for employees discussed in point d of the Employee definition,
    - e) the entity whose part a given supervisory board is - for employees discussed in point e of the Employee definition - who has concluded the ECP Management Agreement with the Fund.
  - 24) **ECP Account** – shall mean an entry in the Register of Participants of the Fund kept in connection with participation in ECP in line with rules provided for in the Agreement and, to the extent not provided for therein, in line with rules provided for in the Investment Funds Act;
  - 25) **Spousal Account** - shall mean a joint Register for a Participant and their Spouse created in line with the Act;
  - 26) **Regulations** – shall mean these ECP Regulations;
  - 27) **Register of Fund Participants** - shall mean electronic records of Fund Participant data; the Fund creates Subregisters for every Subfund as part of the Register of Fund Participants;
  - 28) **Complaint** – a notice sent by a Participant of ECP or a possible ECP Participant to PFR TFI S.A. in which the ECP Participant or prospective ECP Participant voices a reservation regarding services rendered by PFR TFI S.A. in connection with ECP management and the operation of ECP Accounts or the activity of entities acting on behalf of the Fund;
  - 29) **Statute** - the statute of the Fund;



- 30) **Party, Parties** - the Fund, the Employer, or an ECP Participant;
- 31) **Subfund, Subfunds** - shall mean subfunds distinguished within the Fund being fixed-term funds as per the Act, as indicated in § 14(1);
- 32) **Subregister** - shall mean electronic records, distinguished as part of the Register of Participants, pertaining to Participants and Participation Unit disposed of by the Fund as part of a given Subfund;
- 33) **Company** or **PFR TFI S.A.** - PFR Towarzystwo Funduszy Inwestycyjnych Spółka Akcyjna, a company residing in Warsaw, being a body of the Fund;
- 34) **Permanent Carrier** - any data carrier making it possible to store information recorded on it for the necessary period of time dictated by the nature of such information and the purpose for which it was created or transferred and while ensuring that such information cannot be changed and while ensuring that such information can be accessed in the version and form in which it was created or transferred;
- 35) **Participant, ECP Participant** - shall mean a natural person over 18 years of age who is a party to the ECP Operation Agreement and for whose benefit an ECP Account is operated;
- 36) **ECP Operation Agreement** - shall mean an agreement for the operation of ECP, as discussed in Chapter 3 of the Act, concluded by and between the Fund and the Employer;
- 37) **ECP Management Agreement** - shall mean an agreement for the management of ECP, as discussed in Chapter 2 of the Act, concluded by and between the Fund and the Employer;
- 38) **Agreements** - shall mean ECP Operation Agreement and ECP Management Agreement;
- 39) **Act** - shall mean the Employee Capital Plans Act of 4 October 2018;
- 40) **Investment Funds Act** - shall mean the act of 27 May 2004 on investment funds and on managing alternative investment funds;
- 41) **Net Value of Subfund Assets** - the value of Subfund Assets less the value of liabilities associated with the functioning of the Subfund and a portion of liabilities of a given Subfund associated with the functioning of the Fund proportionate to the ratio of the Net Value of Subfund Assets to the Net Value of Fund Assets;
- 42) **Net Value of Subfund Assets per Participation Unit** - the value of Net Value of Subfund Assets for all Participation Units as of a given Valuation Day divided by the number of Participation Units of a given Subfund held by its Participants as of the Valuation Day;
- 43) **Own Contribution** – required funds which are to be used for covering the costs connected with building or converting residential premises or a portion thereof, paying a portion of the purchase price of a title of ownership to residential premises, residential premises constituting separate real estate, or cooperative title of ownership to residential premises, purchasing the title of ownership to predial real estate or a portion thereof, purchasing units of participation in a title of co-ownership to a residential building or residential premises constituting separate real estate, or shares in predial real estate which the party applying for a loan undertakes to contribute using their own money in order to be granted the loan as per Article 3(1) of the Act of 23 March 2017 Mortgage Loan and Supervision over Mortgage Brokers and Agents;
- 44) **Additional Employer Payment** - shall mean a specifically defined percentile portion of the Participant Remuneration paid voluntarily by the Employer and transferred to the relevant ECP Participant Account;
- 45) **Additional Participant Payment** - shall mean a specifically defined percentile portion of the Participant Remuneration paid voluntarily by the Participant and transferred to the relevant ECP Participant Account;
- 46) **Employer Payment** - shall mean base Employer Payment and, if the relevant declaration was made, additional Employer Payment;
- 47) **Participant Payment** - shall mean base Participant Payment and, if the relevant declaration was made, additional Participant Payment;



- 48) **Base Employer Payment** - shall mean a base payment made by the Employer, calculated and transferred by the Employer to the relevant ECP Participant Account;
  - 49) **Base Participant Payment** - shall mean a base payment made by the Participant, collected from the Participant and transferred by the Employer to the relevant ECP Participant Account;
  - 50) **Remuneration** - shall mean the base used for calculating old age pension and disability pension contributions of the Participant, as discussed in the Act of 13 October 1998 on the Social Insurance System, without applying the restriction provided for in Article 19(1) of said Act and excluding the base for calculating old age pension and disability pension contributions of people on child care leave and people receiving maternity benefit or benefits corresponding to maternity benefit;
  - 51) **Payment to ECP** - shall mean payments made to the Fund for acquiring Participation Unit pursuant to rules and in the amount provided for in the Agreement;
  - 52) **Disbursement** – shall mean payment, effected at the request of the relevant Participant, of money collected within ECP as redemption of Participation Units pursuant to the terms and conditions of the Act;
  - 53) **Transfer Disbursement** - shall mean a transfer of funds in line with the provisions of the Act from one ECP Account to another ECP Account, to the IRA of the spouse of a deceased ECP participant, or to the IRA of an authorised person, to the EPS of the spouse of a deceased ECP participant or to the EPS of an authorised person, to the account of a fixed-term savings account of the ECP participant discussed in Article 49(1)(3) of the Act of 29 August 1997 - Banking Law, to the account of fixed-term deposit of the ECP participant in a savings and credit union, to the account of fixed-term savings account indicated by the spouse or former spouse of a deceased ECP participant, to the account of fixed-term deposit operated within a savings and credit union indicated by the spouse or former spouse of a deceased ECP participant, or to the Insurance Institution pursuing business activity classified as part of group 3 in section I of the appendix to the insurance and re-insurance activity act;
  - 54) **Insurance Institution** - shall mean a domestic insurance institution, a foreign insurance institution with its seat in a Member State, the main branch office of a foreign social insurance institution residing in a country not being a Member State, as indicated in the Act on insurance and reinsurance activity, authorised to engage in the activity defined in section I of group 3 of appendix to said act as regards offering insurance with a capital insurance fund;
  - 55) **Exchange** – shall mean simultaneous redemption of Participation Unit in one Subfund and purchase, for money thus acquired, of Participation Units in another Subfund;
  - 56) **Fixed Date** – shall mean a year when people born in the year in the middle of the year range for which a given Subfund is relevant reach the age of 60;
  - 57) **Return** – shall mean a situation where a Participant withdraws funds collected as part of ECP before the Participant reaches the age of 60 at the request of the Participant, the spouse or former spouse of the Participant, the spouse of a deceased Participant, or an Authorised Person in line with the rules provided for in the Act.
2. Words and phrases spelt with a capital letter which are used in these Regulations without being defined herein shall have the meaning assigned to them in the Act, the Statutes, or the Brochure.

## II. OBLIGATIONS

### § 3. SHARED OBLIGATIONS OF THE PARTIES

The Parties undertake to properly fulfil their obligations related to the created or operated employee capital fund under the Act, the Investment Funds Act, the Agreements, Statutes, or these Regulations. ECP shall be operated for purposes of systematic accumulation of savings by ECP Participants to be used for Disbursement after the Participant has attained 60 years of age and for other purposes provided for in the Act.





#### **§ 4. OBLIGATIONS OF THE FUND**

1. The Fund shall, in particular:
  - 1) open and operate a separate ECP Account for every ECP Participant indicated in the List of Participants;
  - 2) record the following as part of ECP Account: additional payments, annual extra payments, initial payment, Transfer Disbursements, Disbursements, and other operations; while doing so, the Fund undertakes to keep records in such way as to make it possible at any given time to distinguish between base Employer payment and additional Employer payments, base and additional ECP Participant payments, annual extra payments, the initial payment, and Transfer Disbursements;
  - 3) dispose of Participation Units in exchange for Payments to ECP;
  - 4) manage funds collected as part of ECP in line with the interests of ECP Participants, striving towards achieving both security and efficiency of investments made and observing the principles of limiting investment-related risk;
  - 5) carry out instructions of ECP Participants related to participation in ECP, including: redemption of Participation Units from a Participant;
  - 6) make the IAT FI Application available to ECP Participants so as to make it possible for them to view their ECP Account and issue instructions related to participation in ECP for the Fund;
  - 7) make the iECP Application available to the Employer so as to make using ECP easier for the Employer;
  - 8) make information discussed in Article 22(1) of the Act regarding the ECP Operation Agreement concluded for and on behalf of a Participant available to the Participant; such information shall include data referred to in Article 22(2) of the Act and also information regarding the conditions for participating in ECP, including the option to request an Exchange, and the rights and obligations of the Employer and ECP Participant related to participation in ECP;
  - 9) notify ECP Participants of the terms and conditions regarding Disbursement in the first calendar quarter of the year when a given Participants attains 60 years of age;
  - 10) communicate information about the total amount of money collected on the relevant ECP Account to the User by the last day of February of every year, as well as about the amount of payments to the ECP Account and other transactions effected using their ECP Account in the preceding calendar year;
  - 11) before making a Transfer Disbursement, prepare information regarding the ECP User from whose ECP Account such Transfer Disbursement is to be made and communicating such information upon making such Transfer Disbursement to the ECP Participant or the person for whose benefit the Transfer Disbursement is made and the entity to which such Transfer Disbursement is made;
  - 12) if a Disbursement order is being processed, provide the Participant with information about such Disbursement, including, without limitation, the amount of Disbursement and, if such a Disbursement is made in instalments, information about the number and amount of such instalments;
  - 13) in the event of a Return, transfer information about Returns effected to ECP records, including an indication of the Return amount broken down into returns from Participant payments, Employer payments, initial payment, and annual extra payments, as defined in the Act.

#### **§ 5. EMPLOYER OBLIGATIONS**

1. The Employee shall, in particular:
  - 1) conclude ECP Operation Agreements for and on behalf of Employees with the Fund within the Fund and provide the Fund with the List of Participants;
  - 2) systematically update the List of Participants and immediately deliver the updated List of Participants to the Fund;



- 3) notify ECP Participants of it being possible to make a declaration regarding additional Participant Payment, to resign from making such a declared additional Participant Payment, and to reduce its amount during one's participation in ECP;
  - 4) notify Employees aged between 55 and 70 who have not joined the ECP of the option to submit an application for participation in ECP;
  - 5) promptly calculate and make Employer Payments to ECP and calculate, collect from the Remuneration of ECP Participants, and make ECP Participant Payments to ECP;
  - 6) keep records related to the calculation by the Employer of Payments to be made by the Employer and to be made by Participants;
  - 7) immediately notify the Fund when a Participant has submitted a declaration for resigning from ECP Payments - this shall be done within 7 days from the date when such a declaration for resigning from ECP Payments is submitted;
  - 8) notify an ECP Participant who has submitted a declaration of ECP operation agreements concluded for them and on their behalf with Other Financial Institutions, of the obligation to file on their behalf an application for transfer disbursement of funds collected as part of such ECPs to the ECP operated for them and on their behalf under the ECP Operation Agreement concluded by and between the Employer and the Fund, and, if the Participant does not object to such an application being filed, to file, via PFR TFI SA, an application for a Transfer Disbursement of funds collected as part of other ECPs to the ECP Account operated by the Fund;
  - 9) cooperate with PFR TFI S.A. as regards proper fulfilment of obligations of the Parties, particularly as far as explaining away any irregularities and doubt related to the current operation of ECP is concerned;
  - 10) use the iECP Application for using ECP or, if using own IT solutions, cooperate with PFR TFI S.A. as far as adjusting such solutions to be compatible with PFR TFI S.A. as is concerned;
2. If consent is given by the Employer to acting as an intermediary in delivering declarations of intent of Employers regarding participation in ECP to the Fund, the Employer may certify that documents, instructions, orders, and declarations pertaining to participation in ECP made/issued by Participants were indeed made/issued by ECP Participants or are consistent with the original documents and then forward the same to the Fund for their implementation.
  3. The Employer shall notify the Fund of changes regarding additional Employer Payments.



## **§ 6. OBLIGATIONS OF PARTICIPANTS**

1. A Participant shall:
  - 1) submit a declaration about other ECP operation agreement concluded for them and on their behalf by other employers to the Employer within 7 days from the lapse of 10 days in the month following the month in which the Employer has employed them for 3 months. If a Participant is employed by several employers, they shall submit the above-indicated declaration to an employer of their choice. Such a declaration is submitted in order to make it possible for the Employer chosen by the Participant to file an application with Other Financial Institutions which operate ECP for the Participant for effecting a Transfer Disbursement of funds collected therein to the Fund. The Participant may object to the filing of such an application by the Employer. The Participant may express their objection (lack of consent) to the Employer only in writing. A Participant may be a party to more than one ECP operation agreement;
  - 2) notify the Fund of any changes to the identification data of the Participant (name, surname, address of residence, contact address, phone number, e-mail address, personal state registration number (PESEL) or date of birth - for people who do not have a PESEL, the series and number of their ID card or passport or another document confirming their identity - for people who are not citizens of Poland) immediately and not later than 30 days after the occurrence of such changes.

## **III. REMUNERATION**

### **§ 7. MAXIMUM REMUNERATION FUND MANAGEMENT AND REMUNERATION FOR PERFORMANCE**

1. The Company shall collect a fixed-rate remuneration (“Fixed Remuneration”) managing a given Subfund from the assets of that Subfund and the amount of such remuneration defined by the Company shall not exceed 0.5% of the Net Value of Subfund Assets per annum.
2. The Company may calculate and collect remuneration for performance results (“Remuneration for Performance”) amounting to no more than 0.1% of the Net Value of Assets of a given Subfund per annum pursuant to the principles of a regulation issued under Article 49(13) of the Act and said remuneration may be collected provided that:
  - 1) the Subfund has achieved a positive rate of return in a given year and
  - 2) the fund has, in a given year, achieved a rate of return exceeding the reference rate of return and
  - 3) as of the last valuation day of November in a given year, the Subfund has achieved a rate of return not lower than 75% of the highest rate of return of funds or subfunds with the same fixed date.
3. The amount of Remuneration for Management, the Remuneration for Performance, and fees related to implementing Exchange requests discussed in § 9 shall be determined by means of a regulation passed by the Company’s management board and published on the website of the company: [www.pfrtfi.pl](http://www.pfrtfi.pl).
4. The changes indicated in section 3 may be effected without having to change the ECP Management Agreement.

### **§ 8. COSTS BORNE BY THE FUND**

1. In addition to being the source of the Remuneration for Management and the Remuneration for Performance, Fund Assets shall be used exclusively for covering costs indicated in the Fund’s Statutes in line with the terms and conditions provided for therein which shall be justified in view of Subfund investment activity, including both unlimited and limited costs indicated in section 2 below.
2. The Fund may use Subfund Assets to cover the following costs:



- 1) commission and payments due to investment companies and banks used by the Fund for concluding transactions as part of investing the assets of a given Subfund,
  - 2) commission and payments related to agreements and transactions of the Fund concluded as part of investing the assets of a given Subfund,
  - 3) commission and payments related to safekeeping the assets of a given Subfund,
  - 4) commission and payments due to deposit and settlement companies whose services the Fund uses for investing the assets of a given Subfund,
  - 5) remuneration of the Fund's Custodian,
  - 6) costs connected with keeping a Register of Fund Participants and Subregister of the Participants of a given Subfund,
  - 7) fees and taxes required in connection with the Fund's activity, including fees for permits if the obligation to make such payments follows from the law,
  - 8) costs of announcements required in connection with the Fund's activity, provisions of the Fund's statutes, or legal regulations,
  - 9) costs of printing and publishing informational materials of the Fund or Subfunds required under the law,
  - 10) costs of liquidating a given Subfund,
  - 11) remuneration for the liquidator of a given Subfund.
3. The costs indicated in points 5 and 6 of section 2 above may be covered using the Assets of a given Subfund up to:
    - 1) 0.5% of the average Net Value of Subfund Assets in a given calendar year - if the Net Value of that Subfund Assets is lower than or equal to PLN 10 000 000,
    - 2) the sum of PLN 50,000 and 0.05% of the average Net Value of Subfund Assets, in excess of PLN 10,000,000 - if the Net Value of that Subfund Assets is greater than PLN 10,000,000.
  4. The costs indicated in section 2(11) may be covered using the Assets of a given Subfund up to 0.5% of the Net Value of that Fund's Assets per annum.
  5. In periods where the Net Value of Subfund Assets is lower than PLN 2,000,000, the Company shall use its own funds to cover the costs of such a Subfund indicated in points 5, 6, 8, and 9 of section 2 above.
  6. The costs connected with the activity of every Subfund which are not indicated in section 2 and in provisions defining the remuneration of the Company for managing a given Subfund in the Statutes shall be borne by the Company using its own funds.
  7. Obligations pertaining to only a single Subfund shall be binding only for that Subfund.
  8. Obligations pertaining to the entire Fund shall be binding for each of the Subfunds proportionately to the share of Net Value of Subfund Assets in the Net Value of Fund Assets.

#### **§ 9. PAYMENTS TO BE MADE BY PARTICIPANTS**

1. The Fund charges no fees on Payments made to ECP.
2. The Company may charge fees related to implementing an Exchange request and the first two Exchanges in a given calendar year shall be effected free of charge. Such a fee may only be charged for the third and subsequent exchanges effected in a given calendar year up to 0.1% of the value of Participation Unit covered by the relevant Exchange Request.



## **IV. ECP OPERATION AGREEMENT**

### **§ 10. EMPLOYEES COVERED BY THE ECP OPERATION AGREEMENT**

1. The Employer shall conclude an ECP Operation Agreement for and on behalf of Employees who are over 18 years of age and who are not over 55 years of age and who have been employed by the Employer for 3 months unless such a person submits a declaration expressing their resignation from Payments to ECP to the Employer as of the 10<sup>th</sup> day of the month following the month in which that person was an Employee of the Employer for 3 months or ceases to be an Employee of the Employer.
2. The period of employment discussed in section 1 shall include periods of employment by the Employer in the course of the preceding 12 months as well as periods of employment with prior employers if the Employer is, under separate laws, a legal successor as far as the legal relationships between such a former employer and the Employee are concerned.
3. The List of Participants covered by the ECP Operation Agreement constitutes an appendix to the ECP Operation Agreement.
4. The ECP Operation Agreement shall be concluded for and on behalf of subsequent Employees by means of updating the List of Participants by indicating the identification data of such Employees.
5. The Employer shall conclude the ECP Operation Agreement for and on behalf of an Employee who is over 55 years of age and is not over 70 years of age exclusively at their request. The Employer shall notify the Employee of the option to file such an application.
6. The Employer shall conclude the ECP Operation Agreement for and on behalf of Employees discussed in section 5 if as of the first day of their employment with the Employer such an Employee was employed by the Employer for at least 3 months over the course of the preceding 12 months.
7. The Employer shall not conclude the ECP Operation Agreement for and on behalf of an Employee who is 70 years of age.
8. An Employer may be a party to more than one ECP operation agreement simultaneously.

### **§ 11. DATE OF CONCLUSION OF ECP OPERATION AGREEMENT, LIST OF PARTICIPANTS**

1. The ECP Operation Agreement shall be concluded for and on behalf of a given Employee upon transfer to the Fund by the Employer of the first List of Participants indicating the identification data of such an Employee and said List of Participants shall be delivered in electronic form via the iECP Application made available to the Employer by the Fund or in another way agreed-upon with the Fund.
2. The Employer shall update the List of Participants if there are any circumstances resulting in changes thereto, particularly in connection with a new legal relationship with a given Employee.
3. If the Employer fails to fulfil its obligation to conclude the ECP Operation Agreement regarding further Employees by means of updating the List of Participants, it shall be assumed that a legal relationship following from the ECP Operation Agreement between such a new Participant and the Fund is created by virtue of the law as of the first day following the lapse of the deadline for concluding the ECP Operation Agreement for and on behalf of that Employee, as indicated in § 10(1). The ECP Operation Agreement shall be deemed concluded pursuant to the terms and conditions following from the ECP Management Agreement.

### **§ 12. MODE OF CONCLUSION OF ECP OPERATION AGREEMENT**

1. The ECP Operation Agreement may only be concluded with the Fund with which the Employer has concluded an ECP Management Agreement.
2. The ECP Operation Agreement shall be concluded in electronic form via the iECP Application. The List of Participants constituting an appendix to the ECP Operation Agreement shall be delivered in electronic form via



the iECP Application or another application used by the Employer to use ECP provided that the format and scope of data contained in the List of Participants have been agreed-upon with the Fund.

### **§ 13. DECLARATION ON RESIGNING FROM MAKING PAYMENTS TO ECP**

1. Participation in ECP is voluntary
2. A Participant may resign from making Payments to ECP at any time by means of submitting the relevant written declaration to the Employer in writing.
3. Such a declaration of resignation shall include data of the Employer and the Participant and a statement of the Participant confirming that they are aware of the consequences of making such a declaration.
4. Resigning from making Payments to ECP shall not require changing the ECP Operation Agreement.
5. The Employer shall notify the Fund of having received such a declaration of resignation immediately and not later than within 7 days from the day when it was made by the Participant.
6. The Employer shall not make Payments to ECP on behalf of a Participant who has submitted such a declaration of resignation as of the month in which the Participant submitted it. Payments collected in that month are subject to return.
7. The return of payments indicated in section 6 shall be effected in line with the following rules:
  - 1) the amount may be returned at its face value only if Payments received were not used to purchase Participation Units,
  - 2) if Participation Units were purchased for such Payments, their return shall take place by means of redeeming Participation Units purchased using such undue Payments according to the Net Asset Value per Participation Unit as of the Valuation Day when Participation Units are redeemed,
  - 3) funds shall be returned to the account of the Employer and the amount of returned funds per particular types of Payments shall be indicated.
8. A Participant who has submitted a declaration of resignation may at any time submit a written request to the Employer that Payments be made to ECP unless the Participant is over 70 years of age. Submitting such a resignation and then returning to making Payments to ECP shall not require changing the ECP Operation Agreement.
9. If the situation is as indicated in section 8, Payments to ECP shall be made starting with the month following the month in which an application for making Payments to ECP was submitted.
10. Every 4 years, starting with 2023, by the last day of February of a given year, the Employer shall notify an Employee who has submitted a declaration of resignation of resuming making Payments to ECP on their behalf.
11. Every 4 years, starting from 1<sup>st</sup> April 2023, the Employer shall make Payments to ECP on behalf of Participants/Employees who submitted a declaration of resignation from Payments to ECP unless that person, from 1<sup>st</sup> March until 31<sup>st</sup> March, again resigns from making Payments to ECP by means of submitting a declaration of resignation from making Payments to ECP to the Employer. The provision of section 6 shall apply appropriately.



## **V. GENERAL TERMS AND CONDITIONS FOR ACCUMULATING AND MANAGING FUNDS WITHIN ECP**

### **§ 14. TERMS AND CONDITIONS FOR FUNDS MANAGEMENT - SUBFUND INVESTMENT POLICY**

1. Funds of ECP Participants shall be collected within the PFR PPK SFIO Fund with Subfunds subdivided from it:
  - 1) Subfund PFR PPK 2025 – for Participants born on 1967 and earlier,
  - 2) Subfund PFR PPK 2030 – for Participants born between 1968 and 1972,
  - 3) Subfund PFR PPK 2035 – for Participants born between 1973 and 1977,
  - 4) Subfund PFR PPK 2040 – for Participants born between 1978 and 1982,
  - 5) Subfund PFR PPK 2045 – for Participants born between 1983 and 1987,
  - 6) Subfund PFR PPK 2050 – for Participants born between 1988 and 1992,
  - 7) Subfund PFR PPK 2055 – for Participants born between 1993 and 1997,
  - 8) Subfund PFR PPK 2060 – for Participants born between 1998 and 2002.
2. The investment policy of a given Subfund takes into account the necessity to limit the level of investment risk depending on the age of the Participant in such way as to shape the proportion of Share Portion and Debt Portion in the value of that Subfund's Assets depending on how much time is left until the Fixed Date of a given Subfund.
3. All Subfunds are Fixed-Date Subfunds which obliged the Company to make sure that the proportion of the Share Portion and Debt Portion in that Subfund's Assets in particular periods when a given Subfund exists is consistent with the following rules, taking into account the amount of time remaining until the Fixed Date:
  - 1) starting with the year when the Subfund has reached its Fixed Date, the ratio of the Share Portion shall not be greater than 15% and the ratio of the Debt Portion shall not be less than 85% of the value of Subfund Assets;
  - 2) within the period of 5 years before the date indicated in point 1, the ratio of the Share Portion shall not be less than 10% and shall not be greater than 30% of the Subfund Assets and the ratio of the Debt Portion may not be less than 70% and more than 90% of the value of Subfund Assets; throughout that period, the ratio of the Share Portion shall be gradually reduced in favour of the Debt Portion;
  - 3) within the period of 5 years before the date indicated in point 2, the ratio of the Share Portion shall not be less than 25% and shall not be greater than 50% of the Subfund Assets and the ratio of the Debt Portion may not be less than 50% and more than 75% of the value of Subfund Assets;
  - 4) within the period of 10 years before the date indicated in point 3, the ratio of the Share Portion shall not be less than 40% and shall not be greater than 70% of the Subfund Assets and the ratio of the Debt Portion may not be less than 30% and more than 60% of the value of Subfund Assets;
  - 5) within the period from the creation of the fund until the commencement of the period indicated in point 4, the ratio of the Share Portion shall not be less than 60% and shall not be greater than 80% of the Subfund Assets and the ratio of the Debt Portion may not be less than 20% and more than 40% of the value of Subfund Assets.
4. The principles of investment policy applicable to all Subfunds can be found in Chapter V of the Statutes.
5. Specific principles of investment policy applicable to particular Subfunds and pertaining to terms and conditions for managing their funds can be found in Part II of the Statutes.
6. Investments in Subfunds are associated with investment risk - this means that negative financial return on an investment is possible and that losing a portion of the invested capital is possible. The level of investment risk depends on the investment policy of particular Subfunds.

### **§ 15. GENERAL TERMS AND CONDITIONS FOR FUND FOR THE ACCUMULATION OF FUNDS**

1. Funds accumulated as part of ECP are the private property of ECP Participants subject to the provisions regarding Return as far as paying civil law fees is concerned.





2. Funds accumulated as part of ECP may not be the subject of court or administrative enforcement proceedings except in a situation where the same are aimed at satisfying child support claims, including amounts due to the state as a result of benefits to be paid in the event of ineffective collection of child support.
3. Funds accumulated within ECP shall be from Employer Payments, ECP Participant Payments, initial payment, and additional, annual extra payments from the Labour Fund, transfer disbursements, and money transferred by the liquidator in the situation indicated in Article 87(21) of the Act, and profit reaped by means of investing money accumulated within ECP. Both the Employer and ECP Participant may declare additional payments to ECP.
4. The amount of such base payments and additional payments shall be defined as a percentile part of the relevant Employee's Remuneration.
5. Payments shall be calculated and transferred to the Fund by the Employer. ECP Participants shall not make Payments to ECP on their own.
6. Participation Unit in the relevant Subfund or Subfunds shall be purchased for ECP Payments transferred to the Fund. Rules and deadlines for purchasing Participation Units are defined in the Statutes and the Brochure.
7. The Fund shall manage funds accumulated for the benefit of Participants.
8. After an ECP Operation Agreement has been concluded, the Fund shall open an ECP Account for every Employee indicated by the Employer for participation in ECP in the List of Participants. ECP Payments and other operations related to participation in ECP shall be recorded as part of the ECP Account.

## **VI. PAYMENTS**

### **§ 16. GENERAL RULES**

1. The Employer shall finance Employee Payments. Participants shall finance Participant Payments. Payments shall be financed using own funds of the Employer and the relevant Participant, as the case may be.
2. Employer Payments shall not be credited towards the remuneration which is used as basis for calculating mandatory old age pension and disability pension contributions.
3. The Employer shall calculate and transfer Employer Payments to the Fund and shall calculate, collect, and transfer Employee Payments to the Fund. The Employer shall make Payments to the Fund starting with the month following the month when a legal relationship under an ECP Operation Agreement was established.
4. Employer Payments shall be calculated by the Employer and Participant Payments shall be calculated and collected by the Employer by the remuneration payment deadline by the Employer.
5. Payments discussed in section 4 shall be transferred to the Fund by the 15<sup>th</sup> day of the month following the month in which they were calculated and collected.
6. Subject to the provisions of section 7, the Employer and Participants shall not finance or make Payments to ECP:
  - 1) during periods of economic recession, as discussed in Article 2(1) of the Act of 11 October 2013 on Special Solutions for Protecting Employment and during periods of reduced working time, as discussed in Article 2(2) of said act;
  - 2) if the employer becomes insolvent as per the Act of 13 July 2006 on securing employee claims in the event of their employer's insolvency;
  - 3) during periods of temporary limitation of the scope of business activity pursued or temporary cessation of business activity as a result of a flood and there being no funds for paying remuneration to employees as per Article 23 of the Act of 16 September 2011 on Special Solutions for Removing the Consequences of Floods.





7. If the situation is as indicated in section 6, a Participant may submit a declaration on financing Participant Payments to the Employer. If this is the case, the Employer shall calculate such Payments, subtract them from the Participant's remuneration, and transfer them to the Fund.
8. Payments financed by Participants shall be collected from their remuneration after taxation.
9. An ECP Participant may order that future payments be divided between Subfunds. The division of payments thus introduced shall be applied to all types of ECP Payments made to the Fund after the Fund has received such orders regarding payment division except for payments made in connection with implementing an Exchange request. The new division of payments indicated in the payment division order shall become effective as of the day following the day when the Fund received it.
10. A Participant ordering that their future payments be divided shall indicate the percentile shares of ECP Payments to be divided between Subfunds. The percentile division of payments between Subfunds shall be defined with accuracy down to 1% and it may not be less than 10% per given Subfund. The percentile shares of payments to be transferred to particular Subfunds indicated in the payment division order shall add up to 100%.
11. In exchange for ECP Payments, the Fund shall dispose of Participation Units in the relevant Subfund for the benefit of ECP Participants - this shall be done within 7 calendar days from the day when the Fund has received information about the Fund's bank account being credited with the relevant Payment amount.
12. Before making ECP Payments, the Employer shall check whether or not the List of Participants is up to date and if there have been changes to its contents, submit an updated version thereof to the Fund.
13. Upon the day when ECP Payments are made, the Employer shall transfer Summary Information defining the amount of ECP Payments made for the benefit of particular Participants in electronic form to the Transfer Agent and such information shall include at least the following data:
  - 1) Full name of the Participant,
  - 2) One of the following: personal state registration number (PESEL) or the series and number of another document confirming their identity - for people who are not citizens of Poland, ID card series and number, employee ID in the payroll and HR system
  - 3) The amount of base Employer Payment,
  - 4) The amount of base Participant Payment,
  - 5) The amount of additional Employer Payment,
  - 6) The amount of additional Participant Payment,
  - 7) The year and month for which Payments are made,
  - 8) Information about any reductions of base Participant Payment in a situation where the Employee's remuneration from different sources does not in a given month correspond to 1.2 times the minimum wage.
14. Payments shall be credited to ECP Accounts on condition that the Fund receives Summary Information.
15. ECP Payments shall be made by the Employer by means of transferring money to a bank account designated by the Fund.
16. The Employer shall effect a collective transfer of the total amount of all calculated Payments due to ECP Participants. The amount transferred shall be consistent with the total indicated in Summary Information.
17. The Fund shall exchange Participation Units of the relevant Subfund in exchange for ECP Payments received. Participation Units shall be disposed of at a price equal to the net value of Subfund assets per Participation Unit as of the Valuation Day as per the Statutes and the Brochure.
18. If the total amount transferred as ECP Payments by the Employer to the Fund's account differs from the total amount of ECP Payments indicated in Summary Information, the Fund shall, immediately and no later than 2 business days from receiving Summary Information and from the relevant payments being credited to the



- Fund's account, notify the Employer of such a discrepancy. The Fund shall withhold disposing of Participation Units until the missing amount has been paid or until it receives new and updated Summary Information.
19. If the amount transferred is greater than the total amount of payments indicated in Summary Information, and it can be clearly ascertained that such a discrepancy is due to a mistake made when transferring funds, the Fund shall return the difference between the amount transferred and the total amount of payments indicated in Summary Information to the Employer's account.
  20. The Employer shall resolve such identified discrepancies immediately and in no case later than within 2 business days from learning about them.
  21. If a discrepancy is not resolved and removed in spite of steps taken in order to do so, the Fund may return unreconciled money to the Employer's account used to transfer them.
  22. Participation Units shall be disposed of in line with the Statutes and the Brochure.
  23. The initial payment and additional annual payments shall be made according to rules provided for in the Act.
  24. If disbursement of funds accumulated on a Participant's ECP Account commences after they have turned 60, ECP Payments shall not be made.
  25. The upper limit of payments and additional payments which may be made to all ECP Accounts of a Participant in a given calendar year shall amount to the PLN equivalent of USD 50 000, calculated using the average rate of USD to PLN exchange published by the National Bank of Poland as of the last business day preceding 31 November of the year preceding a given year. After that limit has been reached, no further payments and additional payments to the Participant's ECP Account shall be made.

#### **§ 17. PAYMENTS FINANCED BY THE EMPLOYER**

1. The base Employee Payment shall be 1.5% of the Remuneration.
2. The Employer may declare additional Employer Payments in the ECP Management Agreement.
3. The maximum amount of such additional Employer Payments may not exceed 2.5% of the Remuneration.
4. The amount of additional Employer Payment may differ between Participants in line with rules defined by the Employer.
5. The Employer may decide to start making, change the amount of, or resign from making additional Employer Payments by means of submitting the relevant unilateral declaration via the iECP Application or in another way agreed-upon with the Fund.
6. Any changes to the amount of the additional Employer Payment shall become effective as of the month following the month in which they were made.

#### **§ 18. PAYMENTS FINANCED BY PARTICIPANTS**

1. The base Participant Payment shall be 2% of the Remuneration.
2. A Participant may lower the amount of the base Participant Payment to 0.5% of the Remuneration of their Remuneration from different sources in a given month is no more than 1.2 times the Minimum Wage. A Participant's base Payment shall be lowered on the basis of a written declaration submitted by them to the Employer.
3. The Employer shall not accept Participant declarations discussed in point 2 above if that ECP Participant's remuneration within the Employer in the month in which such a declaration is made exceeds 1.2 of the Minimum Wage.
4. If the Employer learns that a Participant's remuneration from different sources in that month exceeded 1.2 times the Minimum Wage, the amount of that Participant's base Payment defined under the declaration



discussed in section 2 shall be increased to 2% of the Remuneration for the month in which that Participant's Remuneration from different sources exceeded 1.2 times the Minimum Wage.

5. The Employer shall not accept declarations discussed in section 2 or changes thereto regarding lowering the base Payment of a Participant for every month in which the Participant's remuneration within the Employer exceeds the amount indicated in section 2.
6. A Participant may declare its intention to make additional Participant Payments. The additional Participant Payment shall be no more than 2% of the Remuneration.
7. A Participant may at any time decide to start making, change the amount of, or resign from making the additional Participant Payment by means of submitting the relevant written declaration to the Employer. Template of such a declaration is available from the Employer.
8. If the amount of Participant Payments is changed, such changes shall become effective as of the month following the month in which the Participant submitted the relevant declaration to the Employer.

## **VII. INSTRUCTIONS REGARDING FUNDS ACCUMULATED IN ECP**

### **§ 19. GENERAL DISBURSEMENT RULES**

1. Participants may use and manage funds accumulated on their ECP Account in line with rules provided for in § 19 – § 34.
2. Disbursements of funds from a Participant's ECP Account shall take place on the basis of an application submitted to the Fund by the Participant.
3. Funds accumulated within ECP may be subjected to: Disbursement, Transfer Disbursement, or Return.
4. A Participant may request a Disbursement if:
  - 1) they have reached the age of 60 or they intend to make a disbursement in the form of a spousal benefit,
  - 2) they have not turned 45 and intend to use funds accumulated on their ECP Account for Own Contribution,
  - 3) the Participant, their spouse, or their child falls Seriously Ill,
5. An ECP Participant may designate an Authorised Person to whom funds are to be disbursed after their death. If the Authorised Person dies before the Participant does, such instructions shall become null and void and funds meant for them shall be equally divided between the remaining Authorised Persons unless the Participant issues different instructions.
6. Disbursement, save for Disbursement discussed in § 22 and § 23, shall take place immediately and in no case later than 7 days after redemption of Participation Unit by the Fund. Rules and deadlines regarding the redemption of Participation Units by the Fund are defined in the Statutes and the Brochure.
7. Transfer Disbursement shall be effected:
  - 1) at the request of a Participant,
    - a) to another ECP Account,
    - b) after the Participant has reached the age of 60 to the account of a fixed term savings account / fixed term investment ran by a credit and savings union,
    - c) to an insurance institution if the Participant has concluded an agreement with that insurance institution under which after they reach the age of 60, they shall acquire the right to a fixed-term or lifetime benefit;
  - 2) at the request of the spouse of a deceased Participant or at the request of the Authorised Person if the Participant has dies, as the case may be:



- a) to the IRA of the spouse of a deceased ECP participant or the IRA of the Authorised Person,
  - b) to the ECP of a deceased ECP participant or the ECP of the Authorised Person;
- 3) at the request of a spouse / former spouse of an ECP Participant in a situation where their marriage was terminated, the marital property between them is terminated, marital property is excluded or limited under an agreement - to the account of a fixed-term savings deposit or the account of a fixed-term deposit ran by a credit and savings union provided that the agreement regarding the operation of such deposits provides for an option to use and manage ECP funds in line with the provisions of Article 99(1) of the Act or to the ECP account of the spouse or former spouse of the relevant ECP Participant;
  - 4) at the request of the Employer:
    - a) from ECP operated under agreements concluded for and on behalf of the Participant by other employers to the ECP operated for the Participant within the Fund for Employees for whom and on whose behalf the Employer concluded the ECP Operation Agreement in connection with 3 months of employment at the Employer's,
    - b) from ECP operated by Another Financial Institution with whom the Employer has terminated an ECP management agreement to the Fund, provided that the Participant does not object to the filing of an application for a Transfer Disbursement by the Employer.
8. Return shall be effected at the request of:
- 1) ECP Participant,
  - 2) the former spouse of an ECP Participant due to the termination of their marriage or marital property or due to the exclusion or limitation of marital property,
  - 3) the Authorised Person or at the request of the spouse of a deceased ECP Participant if an ECP Participant dies.

**§ 20. DISBURSEMENT AT THE REQUEST OF A PARTICIPANT WHO HAS REACHED THE AGE OF 60**

1. Disbursement at the request of a Participant who has reached the age of 60 shall take place according to the following rules:
  - 1) 25% of funds accumulated on the ECP Account shall be disbursed in one instalment unless the Participant requests that said portion of those funds be disbursed in line with the rules provided for in point 2),
  - 2) 75% of funds accumulated on the ECP Account by the Participant shall be disbursed in at least 120 monthly instalments unless the Participant requests that the disbursement be made in fewer instalments. The Fund shall notify the Participant in advance of the contents of Article 30a, section 1, point 11b) of the Personal Income Tax Act of 26 July 1991 and of the requirement to pay the relevant income tax as a lump sum following therefrom.
2. If the amount of the first instalment, calculated by means of dividing the value of all Participation Units recorded on the relevant ECP Account as of the day when the application is filed by 120 or, if the Participant filed an application for disbursement in fewer instalments, by the number of instalments indicated in that application,
  - is less than PLN 50, all funds accumulated on the ECP Account shall be disbursed in one instalment.
3. The amount of the next instalment shall be calculated by means of dividing the amount of funds on the ECP Account on the day of redemption of Participation Unit comprising the next instalment by the number of instalments to be paid in line with the Participant's application.
4. Participants may change the number of instalments they requested subject to the provisions of sections 5 and 6.
5. If according to the number of instalments requested money is to be disbursed over the course of at least 10 years, the Participant may not change the requested number of instalments in a way which would result in money being disbursed over the course of less than 10 years.



6. If the amount of the first instalment following a change request, calculated by means of dividing the total value of all Participation Units recorded on the Participant's ECP Account as of the day when they filed the relevant application by the new number of instalments following from the Participant's application, is less than PLN 50, it shall not be possible to change the declared number of instalments.
7. Disbursement at the request of a Participant who has reached the age of 60 shall take place according to the following deadlines:
  - 1) one-time disbursement - within 14 days from the submission of the application for such disbursement,
  - 2) disbursement in the form of monthly instalments - subsequent instalments shall be disbursed immediately and not within 7 days after the redemption of participation units comprising the next portion to be re-purchased as of the same day of the month on which the first instalment was redeemed. If the day when the next instalment is to be redeemed is not the Valuation Day, redemption shall take place on the next Valuation Date following that day.
8. Disbursements shall be effected by means of a bank transfer to a bank account or an account in a credit and savings union indicated by the Participant.

#### **§ 21. DISBURSEMENTS AT THE REQUEST OF THE PARTICIPANT IN THE FORM OF SPOUSAL BENEFIT**

1. A Participant who has reached the age of 60 may request that funds accumulated as part of their ECP Account be disbursed in the form of a spousal benefit.
2. The Participant may file an application regarding the disbursement of such a spousal benefit to the Fund if the spouse of the Participant for whose benefit an ECP Operation Agreement was concluded with the Fund has also reached the age of 60 and the two spouses jointly declare that they would like to make use of disbursement in the form of a spousal benefit.
3. The spousal benefit shall be disbursed in at least 120 monthly instalments.
4. The amount of the spousal benefit and the dates when disbursement is to be effected shall correspond to those applicable to the Disbursement at the request of the Participant who has reached the age of 60 defined in § 20 of the Regulations. The spousal benefit shall be paid to spouses jointly until funds collected on their Spousal Account have been used up.
5. If one of the spouses dies, the spousal benefit shall continue to be disbursed to the surviving spouse and its amount shall not change until funds collected on the Spousal Account have been used up. § 34 of the Regulations shall apply to money kept on the Spousal Account after the death of one of the spouses.



## **§ 22. DISBURSEMENT AT THE REQUEST OF A PARTICIPANT FOR FINANCING OWN CONTRIBUTION**

1. Pursuant to an agreement concluded with the Fund, Participants may, in a single instalment, have up to 100% of money accumulated as part of their ECP Account disbursed so as to finance their Own Contribution. An application regarding the conclusion of such an agreement shall be submitted directly to the Fund by the Participant.
2. The Participant shall return funds disbursed to them at their face value.
3. The disbursements referred to in section 1 shall be effected.
  - 1) if funds accumulated on the ECP Account are used for Own Contribution related to the construction or conversion of a residential building - to the bank account of the Participant or to an account in a credit and savings union of the Participant indicated in the relevant application;
  - 2) in other situations - to the bank account of the party disposing of the relevant rights or to their account in their credit and savings union.
4. The agreement indicated in section 1 shall define, in particular:
  - 1) the investment which is to be financed using the relevant loan;
  - 2) terms, conditions, and dates of payments;
  - 3) terms, conditions, and dates for returning disbursed funds with the proviso that the return deadline may not be more than 5 years from disbursement of funds and may not take more than 15 years from the disbursement of funds.
5. A Participant who concluded the agreement indicated in section 1 may not conclude another such agreement with the Fund or Another Financial Institution. A Participant may conclude another agreement indicated in section 1 with Another Financial Institution only if such an agreement is to be concluded for covering Own Contribution related to the Participant taking out a loan granted to them for financing the same investment.
6. The option to have the disbursement referred to in section 1 shall not be available to Participants who have turned 45 as of the day when they file the application referred to in section 1.
7. Dates of disbursements for financing Own Contribution shall be defined in the agreement discussed in section 1.

## **§ 23. DISBURSEMENTS AT THE REQUEST OF THE PARTICIPANT IN THE EVENT OF A SERIOUS ILLNESS**

1. A Participant may request that up to 25% of funds accumulated on their ECP Account be disbursed in the event of the Participant, their spouse, or their child falling seriously ill. The relevant application shall specify whether such disbursement is to be effected in a single instalment or in multiple instalments, indicating the number and frequency of such instalments in the latter case.
2. The following shall be enclosed to the application:
  - 1) a medical certificate confirming complete incapacity of working for a period of at least 2 years as per the Act of 17 December 1998 on Old-Age and Disability Pensions from the Insurance Fund issued by a certifying physician or a medical committee of the Social Insurance Institution or
  - 2) a medical certificate of moderate or major disability for a period of at least 2 years as per the Act of 27 August 1997 on Vocational and Social Rehabilitation and Employment of Persons with Disabilities, issued by a committee for declaring disability, or
  - 3) a medical certificate of disability of a person who is under 16 years of age as per the Act of 27 August 1997 on Vocational and Social Rehabilitation and Employment of Persons with Disabilities, issued by a committee for declaring disability,



- 4) or a medical certificate from a doctor of medicine confirming the diagnosis of an illness indicated in Article 2(1)(21)(d) or 2(1)(21)(e) of the Act.
3. The one-time payment or, in the case of disbursement effected in instalments, the first instalment shall be made within 14 days from the filing of the application for Disbursement together with the documents indicated in section 2 below. Subsequent instalments shall be disbursed at dates indicated in the Participant's application for Disbursement.
4. Disbursements shall be effected by means of a bank transfer to a bank account or an account in a credit and savings union indicated by the Participant.

#### **§ 24. TRANSFER DISBURSEMENT**

1. The Transfer Disbursement of funds accumulated on the ECP Account shall be a pecuniary transfer.
2. Upon making the Transfer Disbursement, the Fund shall transfer the following information to the entity which requested it:
  - 1) the Participant's unique ID in the records of ECP and their identification data;
  - 2) identification data of the Employer (name, tax ID (NIP), seat address, and contact address or address of residence and address where business activity is pursued);
  - 3) identification data of the Fund (name, NIP, seat address, and contact address);
  - 4) amount and dates of payments in every calendar year;
  - 5) amount and dates of Transfer Disbursements approved by the Fund and identification data of the relevant Other Financial Institution effecting such Transfer Disbursements,
  - 6) amount and date of the Transfer Disbursement being effected and identification data of the relevant Other Financial Institution to which such Transfer Disbursement is made;
  - 7) information confirming participation or the conclusion of the agreement discussed in Article 102(2) of the Act and the amount of funds not returned as of the date of the Transfer Disbursement;

the Fund shall also provide the entity who requested the Transfer Disbursement with information from all previously selected financial institutions.

3. The Transfer Disbursement shall take place within 14 days from the making of the relevant request subject to the following circumstances:
  - 1) in the event of the Participant divorcing or their marriage being annulled, the Transfer Disbursement shall be effected within 3 months from the submission of the relevant application and presentation of evidence confirming that funds accumulated on the Participant's ECP Account are due to their former spouse;
  - 2) if the Participant who, as of the date of their death, was married, the Transfer Disbursement shall be effected within 3 months after presentation by the spouse of the deceased Participant of a copy of the death certificate, marriage certificate, and a statement of their marital financial relations, as well as documents describing the way in which such financial relations were settled if there was no statutory marital property between the spouses;
  - 3) to the extent in which funds accumulated on the ECP Account of a deceased Participant were transferred to Authorised Persons, the Transfer Disbursement shall be effected within 3 months from the submission of a request for Transfer Disbursement together with a copy of the Participant's death certificate and a document confirming the identity of the authorised person or a copy of a valid and binding court decision confirming the acquisition of inheritance or a certified deed confirming inheritance, as well as a joint statement made by all heirs regarding the way in which funds accumulated on the ECP Account of the deceased Participant are to be divided or a valid and binding court decision regarding the division of inheritance, and documents confirming the identity of heirs - unless the Authorised Person requests that the Transfer Disbursement or Return be effected at a later date.





4. A Transfer Disbursement request made by the Participant may pertain only to all funds accumulated on their ECP Account. A Transfer Disbursement request made by the spouse of a Participant, the former spouse of a Participant, or the Authorised Person may only pertain to all funds accumulated on the relevant persons account.

**§ 25. TRANSFER DISBURSEMENT EFFECTED AS A RESULT OF DIVORCE OR MARRIAGE  
ANNULMENT**

1. If a Participant's marriage is terminated as a result of annulment or divorce, funds accumulated on that Participant's ECP Account due to their former spouse as a result of division of joint property of the spouses are to be transferred in the form of a Transfer Disbursement to the ECP Account of that Participant's former spouse.
2. If the Participant's former spouse is not a party to an ECP operation agreement, funds accumulated on the Participant Account due to them as a result of a division of the joint property of the spouses shall be returned in cash or transferred as a Transfer Disbursement to a fixed-term deposit account indicated by their former spouse (or to a fixed-term deposit account operated as part of a savings and credit union indicated by them) on condition that the agreement for operating such deposits provides for the option to make use of ECP funds in line with the terms and conditions of Article 99(1) of the Act. If such funds are returned before the former spouse of a Participant reaching the age of 60, the provisions of Article 83 of the Act shall apply appropriately.
3. The Transfer Disbursement effected by the Fund shall be effected within 3 months from the submission of the relevant application and presentation of evidence confirming that funds accumulated on the Participant's ECP Account are due to their former spouse; If the former spouse of a Participant is a party to more than one ECP Operation Agreement, the Transfer Disbursement shall be effected to the ECP Account indicated in an application made by the former spouse.
4. The provisions of this section shall apply appropriately if marital property ceases without a Participant's marriage being terminated or if marital property of the Participant and their spouse is excluded or limited under an agreement.

**§ 26. TRANSFER DISBURSEMENT EFFECTED IN CONNECTION WITH TERMINATION OF THE  
ECP MANAGEMENT AGREEMENT BY THE EMPLOYER**

1. If the Employer terminates the ECP Management Agreement and concludes an agreement with Another Financial Institution, the Employer shall, within 7 days from concluding such an ECP management agreement with Another Financial Institution, notify Participants of the obligation to file for them and on their behalf an application for a Transfer Disbursement of funds accumulated on Participant ECP Account operated by the Fund to a Participant ECP Account operated by the Other Financial Institution with which the Employer concluded a new ECP operation agreement discussed in chapter 3 of the Act.
2. If the Participant, within 7 days from receiving the information indicated in section 1, does not object to the Transfer Disbursement, the Employer shall file on the Participant's behalf and for the Participant an application via the entity managing the Other Financial Institution discussed in section 1 for effecting a Transfer Disbursement of funds accumulated on the Participant's ECP Account to their account within the Other Financial Institution discussed in section 1.
3. A Transfer Disbursement effected as a result of the Employer terminating the ECP Management Agreement shall take place within 14 days from the termination of the ECP Management Agreement and designation by the Employer of Another Financial Institution with which the Employer concluded a new ECP management agreement.

**§ 27. TRANSFER DISBURSEMENT EFFECTED IN CONNECTION WITH HIRING A NEW  
EMPLOYEE WHO ALREADY HAS ECP ACCOUNTS OPERATED BY OTHER FINANCIAL  
INSTITUTIONS**

1. If a new Employee is hired for whom and on whose behalf the Employer concludes an ECP Operation





Agreement, the Employer shall notify that person of the obligation to file an application for them and on their behalf for a Transfer Disbursement with regard to funds accumulated on their ECP Accounts operated by Other Financial Institutions.

2. If the Participant does not object to the Transfer Disbursement within 7 days from receiving the information indicated in section 1, the Employer shall file an application for them and on their behalf for effecting a Transfer Disbursement of funds accumulated on their ECP accounts with Other Financial Institutions to the Participant's ECP Account operated by the Fund.

#### **§ 28. OTHER SITUATIONS WHERE A TRANSFER DISBURSEMENT IS EFFECTED**

1. A Transfer Disbursement to a fixed-term savings deposit account (or to a fixed-term deposit account of the Participant operated within a savings and credit union) after the Participant has reached the age of 60 may be effected at the request of the Participant if the agreement regarding the operation of such a fixed-term savings deposit account (or fixed-term deposit account) to which a Transfer Disbursement is to be made provides for an option to make use of funds transferred from ECP exclusively in line with § 20(1).
2. If a Participant concludes an agreement under which after they reach the age of 60 they will acquire the right to a certain fixed-term or lifetime benefit with an insurance institution, the Participant may effect a Transfer Disbursement of funds accumulated as part of ECP to that insurance institution.

#### **§ 29. RETURN AT THE REQUEST OF A PARTICIPANT**

1. Return effected at the request of a Participant submitted to the Fund in writing or in electronic form shall be pecuniary and shall take place within no more than 14 days from the Participant making the relevant Return request. The Fund shall transfer the following portions of funds accumulated on the Participant's Account in the following way:
  - 1) 30% of funds from redemption by the Fund of participation units which were purchased for the benefit of the Participant using Employer Payments to a bank account indicated by the Social Insurance Institution;
  - 2) 70% of funds from redemption by the Fund of participation units which were purchased for the benefit of the Participant using Employer Payments to a bank account or an account within a credit and savings union indicated by the Participant after those funds are reduced by the relevant personal income tax which, in line with separate legal regulations, is transferred to the account of the relevant tax office;
  - 3) an amount corresponding to funds from the redemption of participation units which were purchased for the benefit of the Participant using Participant Payments to a bank account or an account within a credit and savings union indicated by the Participant after those funds are reduced by the relevant personal income tax which, in line with separate legal regulations, is transferred to the account of the relevant tax office;
  - 4) an amount corresponding to funds from redemption by the fund of participation units purchased for the benefit of the Participant using the initial payment and annual additional payments to a bank account indicated by the relevant Minister of Labour.

#### **§ 30. RETURN AT THE REQUEST OF THE SPOUSE OF A PARTICIPANT**

1. Funds accumulated on the Participant's ECP Account due to their former spouse as a result of a division of joint marital property may be returned at the request of the former spouse of the Participant if the Participant's marriage was terminated by means of a divorce or was annulled.
2. The return indicated in section 1 shall take place on condition that the former spouse of the Participant is not a party to an ECP operation agreement and that funds accumulated on the ECP Account due to them as a result of a division of the joint property of spouses are not transferred by means of a Transfer Disbursement to a fixed-term savings deposit account indicated by the former spouse or a fixed-term deposit account with a credit and savings union indicated by them.



3. The Return shall be effected within 3 months from the presentation of evidence confirming that funds accumulated on the Participant's ECP Account are due to their former spouse;
4. After the evidence discussed in section 1 has been presented, the Fund:
  - 1) if an insured person's account indicated in Article 40(1) of the Act of 13 October 1998 on the Social Insurance System is run for the former spouse of a Participant, the Fund shall transfer to an account indicated by the Social Insurance Institution a portion of Participant funds corresponding to 30% of the portion of funds from redemption by the Fund of Participation Units which were purchased for the benefit of the Participant using Employer Payments due to the former spouse as a result of marital property division;
  - 2) if no insured person's account indicated in point 1 is run for the former spouse of a Participant, the selected financial institution shall transfer to a bank account indicated by the relevant Minister of Labour a portion of Participant funds corresponding to 30% of the portion of funds from redemption by the Fund of Participation Units which were purchased for the benefit of the Participant using Employer Payments due to the former spouse as a result of marital property division;
  - 3) The Fund shall transfer a portion of Participant funds corresponding to funds from redemption by the fund of participation units purchased for the benefit of the Participant using the initial payment and annual additional payments to a bank account indicated by the relevant Minister of Labour due to the former spouse as a result of marital property division;
  - 4) The Fund shall transfer 70% of funds from redemption by the Fund of participation units which were purchased for the benefit of the Participant using Employer Payments in the portion due to the former spouse as a result of marital property division to a bank account or an account within a credit and savings union indicated by the Participant after those funds are reduced by the relevant personal income tax which, in line with separate legal regulations, is transferred to the account of the relevant tax office;
  - 5) The Fund shall transfer, out of Participant funds, an amount corresponding to funds from redemption by the Fund of participation units which were purchased for the benefit of the Participant using Participant Payments in the portion due to the former spouse as a result of marital property division to a bank account or an account within a credit and savings union indicated by the Participant after those funds are reduced by the relevant personal income tax which, in line with separate legal regulations, is transferred to the account of the relevant tax office.
5. The provision of section 4 shall not apply if the former spouse of the Participant authorised to receive such a return acquires the right to an old age pension.
6. The provisions of this section shall apply appropriately if marital property ceases without a Participant's marriage being terminated or if marital property of the Participant and their spouse is excluded or limited under an agreement.

### **§ 31. RETURN AT THE REQUEST OF THE SPOUSE OF A DECEASED PARTICIPANT OR THE AUTHORISED PERSON**

1. At the request of the spouse of a deceased Participant funds accumulated on the deceased Participant's ECP Account due to their spouse shall be returned as money.
2. The Return shall be effected within 3 months from the presentation of evidence confirming that funds accumulated on the deceased Participant's ECP Account are due to their spouse;
3. Funds accumulated on the deceased Participant's ECP Account which were not transferred to their spouse shall be transferred to Authorised Persons.
4. Return for the benefit of the Authorised Person shall be effected within 3 months from the submission of a request for such return by the Authorised Person together with a copy of the Participant's death certificate and a document confirming the identity of the authorised person or a copy of a valid and binding court decision confirming the acquisition of inheritance or a certified deed confirming inheritance, as well as a joint statement



made by all heirs regarding the way in which funds accumulated on the ECP Account of the deceased Participant are to be divided or a valid and binding court decision regarding the division of inheritance, and documents confirming the identity of heirs.

### **§ 32. DIVISION OF SAVINGS MADE AS PART OF ECP. EXCHANGE**

1. A Participant may submit an application to the Fund for an Exchange of Participation Units for a Subfund appropriate for their age.
2. In the application indicated in section 1, the Participant shall indicate the percentile division of funds accumulated in ECP between particular Subfunds and the portion allocated to a given Subfund as part of such division may not be less than 10% and the division shall be accurate down to 1%. An Exchange shall be effected by means of a simultaneous redemption of Participation Units in one Subfund (source Subfund) and purchase, for money thus acquired, of Participation Units in another Subfund (target Subfund). Participation Units in the target Subfund may be purchased as part of such an exchange only after funds acquired as a result of redemption of Participation Units in the source Subfund have been credited to the bank account of the target Subfund.
3. The deadline for performing an Exchange order regarding Participation Units is defined in the Statutes and the Brochure.
4. The performance of the third and further Exchange orders in a given calendar year may be subject to a fee indicated in § 9. If a change regarding the division of funds accumulated within ECP is implemented under one order and involves more than one exchange of Participation Units, such an order shall be considered one Exchange order for purposes of calculating the number of free-of-charge exchanges in a given calendar year.

### **§ 33. DIVISION OF FUNDS FOR USERS WHO WERE MARRIED AS OF THEIR DEATH**

1. If a Participant was married as of their death, the Fund shall effect a Transfer Disbursement of one half of funds accumulated as part of the Participant's ECP Account to the ECP, IRA, or EPS Account of their spouse to the extent in which such funds were the object of joint marital property.
2. Transfer Disbursement shall be effected within 3 months after presentation by the spouse of the deceased Participant of a copy of the death certificate and a hard copy of a statement of their marital financial relations, as well as documents describing the way in which such financial relations were settled if there was no statutory marital property between the spouses.
3. If the spouse of a deceased Participant is a party to more than one ECP or EPS operation agreement, the Transfer Disbursement shall be effected to the ECP or EPS Account indicated in an application made by the spouse of such a deceased Participant.
4. At the request of the spouse of a deceased Participant, funds accumulated on the deceased Participant's ECP Account due to their spouse shall be returned as money. The Return shall be effected within 3 months from the presentation of evidence confirming that funds accumulated on the deceased Participant's ECP Account are due to their spouse;

### **§ 34. AUTHORISED PERSONS**

1. A Participant may designate Authorised Parties to the Fund who, after the Participant dies, are entitled to receive funds accumulated on their ECP Account; the Participant shall define how such funds are to be divided between Authorised Persons. If a Participant has failed to define the way in which funds accumulated on their ECP Account are to be divided between Authorised Persons, the Fund shall assume that they are all to receive equal portions of such funds. If a Participant defines the portion of such funds for each Authorised Person but such division does not add up to 100% of such funds, the Fund shall assume that there is a mistake regarding the designation of Authorised Persons and shall not assign such people to the ECP Account. The Participant may change their instructions as desired.



2. If an Authorised Person dies before the Participant does, such instructions shall become null and void and funds meant for them shall be equally divided between the remaining Authorised Persons unless the Participant issues different instructions as regards that person's share.
3. Funds indicated in section 1 shall, depending on what the Authorised Person applies for, be subject to a transfer disbursement to the ECP, IRA, or EPS of that person or disbursed to them as money. Such a return may pertain to all funds accumulated on the ECP Account of the deceased ECP Participant or a portion thereof.
4. Funds accumulated on the ECP Account of the deceased Participant may be returned at the request of the Authorised Person to the extent in which such funds were not transferred to the spouse of the deceased Participant in line with § 33.
5. Spouses with a Spousal Account shall have the right to designate Authorised Persons jointly. The provisions of sections 1 to 4 above shall apply appropriately.

**§ 35. GENERAL RULES APPLICABLE TO THE SUBMISSION OF DECLARATIONS OF INTENT  
RELATED TO PARTICIPATION IN ECP BY ECP PARTICIPANTS TO THE FUND OR THE  
EMPLOYER**

1. Any and all declarations of intent related to participation in ECP shall be submitted directly to the Fund or the Employer, depending on their type, by the Participant.
2. The Participant shall submit the following declarations of intent related to participation in ECP directly to the Fund:
  - 1) designation of Authorised Persons,
  - 2) change/revocation of Authorised Persons,
  - 3) change/supplementation of Participant data,
  - 4) Disbursement of funds from ECP after the Participant has turned 60,
  - 5) change of the requested number of instalments if Disbursement is effected in instalments at the request of the Participant after they have turned 60,
  - 6) Disbursement from ECP funds after the Participant has turned 60 in the form of a spousal benefit,
  - 7) Disbursement for purposes related to Own Contribution,
  - 8) Disbursement in the event of a serious illness of the Participant, their spouse, or child,
  - 9) Transfer Disbursement at the request of the Participant to another ECP account,
  - 10) Transfer Disbursement at the request of the Participant to an account of a fixed-term savings deposit / fixed-term deposit of the Participant with a credit and savings union after the Participant has reached the age of 60,
  - 11) Transfer Disbursement to the IRA of the spouse of a deceased ECP participant or the IRA of the Authorised Person,
  - 12) Transfer Disbursement to the EPS of the spouse of a deceased ECP participant or the EPS of the Authorised Person,
  - 13) Transfer Disbursement to the Insurance Institution (at the request of the Participant),
  - 14) Transfer Disbursement to the account of a fixed-term savings deposit or the account of a fixed-term deposit operated within a credit and savings union or to the ECP Account of the spouse or former spouse of the ECP Participant (dissolution of marriage, termination of marital property, contractual exclusion or limitation of marital property),
  - 15) Return of funds from ECP at the request of the ECP Participant,



- 16) Return of funds from ECP to the account of the former spouse of the ECP Participant (dissolution of marriage, termination of marital property, contractual exclusion or limitation of marital property),
  - 17) Return of funds from ECP at the request of the Authorised Person after the death of the ECP Participant,
  - 18) Return of funds from ECP at the request of the spouse of a deceased ECP Participant,
  - 19) Change of allocation of funds accumulated within ECP (Exchange),
  - 20) Change of allocation of current Payments to ECP,
  - 21) appointment/dismissal of an attorney-in-fact.
3. Declarations of intent related to participation in ECP to be submitted to the Fund directly may be submitted by the Participant in the following ways:
    - 1) in electronic form via the IAT FI Application after meeting the requirements and in line with rules defined in the relevant regulations and documents pertaining to use of the application published on the Internet website of the Company: [www.pfrtfi.pl](http://www.pfrtfi.pl),
    - 2) in writing with their signature certified:
      - a) by a notary or
      - b) the Employer - provided that the Employer consents to this or
      - c) by authorised parties at designated premises of third parties provided that the Fund makes this possible.
  4. The Fund may make it possible for Participants to submit and transfer declarations of intent related to participation in ECP in ways other than indicated above and shall notify Participants of this via the Company's Internet website: [www.pfrtfi.pl](http://www.pfrtfi.pl).
  5. Declarations of intent related to participation in ECP which the Employer is obliged to accept under the Act shall be submitted to the Employer. The Fund shall make the iECP Application to the Employer free of charge to make it easier for the Employer to accept instructions and requests from ECP Participants and forward the same to the Fund. The ECP Participant shall submit the following declarations of intent related to participation in ECP directly to the Employer:
    - 1) a declaration regarding ECP operation agreements concluded for and on behalf of the Participant, indicating Other Financial Institutions with which such agreements were concluded (so as to make it possible for the Employer to file applications for a transfer disbursement from those Other Financial Institutions to the Fund),
    - 2) a declaration expressing lack of consent to the Employer issuing instructions for a Transfer Disbursement of funds accumulated by the ECP Participant from the current Another Financial Institution in which the Participant had an ECP Account to the Fund (applies in a situation where the ECP Participant changes jobs or the Employer terminated the ECP Management Agreement with one Financial Institution and concluded an ECP Management Agreement with Another Financial Institution),
    - 3) a declaration of resignation from Payments to ECP / a declaration of resumption of Payments to ECP,
    - 4) a declaration regarding financing by the Participant of Payments to ECP in situations discussed in Article 25(4) of the Act,
    - 5) a declaration regarding financing by the Participant of additional ECP Payments / a declaration of resignation from such payment or changing its amount,
    - 6) a declaration for reducing the base ECP Payment financed by the ECP Participant to no less than 0.5% of the remuneration in a situation where the remuneration of the ECP Participant in a given month from different sources did not in a given month exceed 1.2 times the minimum wage / a declaration for increasing the amount of such payment,



- 7) an application for joining ECP for Employees who have turned 55 and who have not turned 70.

### **§ 36. SUBMISSION OF DECLARATIONS AND APPLICATIONS BY THE EMPLOYER AND ECP PARTICIPANT**

1. Drafts of Participant declarations and applications related to participation in ECP to be submitted to the Employer are available to the Employer within the iECP Application.
2. As far as matters related to ECP are concerned, the Employer or a Participant shall submit declarations of intent to the Fund in electronic form making it possible to make them permanent on a Permanent Carrier or in written form.
3. The Participant shall have the right to use the IAT FI Application made available by the Fund in connection with ECP in order to submit orders, instructions, applications, or other declarations of intent to the Fund and in order to get information related to ECP and ECP Account.
4. In connection with exercising their rights and fulfilling their obligations related to participation in ECP and on condition that the Employer consents to this, the Participant may transfer declarations of intent to the Fund via the Employer.
5. Declarations of intent of the Employer and the Fund related to performing Agreements may be submitted in electronic work making it possible to record them on a Permanent Carrier or in writing.
6. The Employer shall have the right to designate a person or people responsible for performing the ECP Management Agreement, i.e. people to be contacted with regard to matters related to performing the ECP Management Agreement, as well as an iECP Application administrator and other people authorised to manage the iECP Application.
7. Declarations of intent made by a person responsible for performing the Agreements indicated by the Employer shall be deemed to have been made by the Employer. The person responsible for performing the Agreement shall receive declarations of intent from the Fund or the Company sent to the Employer on behalf of the Employer.
8. If the Employer consents to forwarding to the Fund declarations of intent made by Participants in writing via the Employer, such declarations of intent shall be submitted to the Fund via the persons responsible for performing the Agreement indicated by the Employer. Time for complying with instructions thus delivered to the Fund shall be counted from the receipt by the Fund of the relevant Participant declaration of intent.
9. The Employer shall have the right to change the people discussed in section 6 at any time.
10. The Fund and the Company may not be held liable for the consequences of declarations of intent to the contrary submitted by people discussed in section 6.
11. If the authorisation granted by the Employer to a person discussed in section 6 expires, is revoked, or is changed, this shall be binding for the Fund upon the Fund receiving information about this. Neither the Fund nor the Company shall be liable for the actions of the person indicated in section 6 after the expiration or revocation of their authorisation from the Employer if they are not notified of the same by the Employer.
12. If declarations of intent are submitted by the Participant in writing directly to the Fund by mail, the Participant's signature shall have to be certified as true by a notary and documents accompanying the declaration of intent shall be submitted to the Fund as original copies or as notarized certified true copies. If the relevant signature is not a notarized signature, the Fund shall not act upon a given declaration of intent.
13. The Fund shall make information regarding the Fund and ECP available via IAT FI and iECP, and shall accept instructions, requests, and applications directly for the Fund from Participants or the Employer via the same means.
14. Access to some portions and functionalities of the ICT systems discussed in section 13 shall only be possible after signing in.





15. The Fund shall ensure free-of-charge updating and current servicing of the ICT systems indicated in section 13.

## **VIII. LIABILITY OF THE PARTIES**

### **§ 37. LIABILITY OF THE COMPANY AND THE FUND**

1. The Company shall be liable towards Participants for any and all damage caused as a result of it failing to fulfil or improperly fulfilling its obligations related to managing and representing Subfunds unless such failure to fulfil or improper fulfilment of obligations is caused by circumstances for which the Company cannot be held accountable.
2. Neither the Company nor the Fund shall be liable for damage resulting from the acts or omissions of the Employer, particularly related to transferring or failing to transfer up-to-date data or information constituting a part of the List of Participants, about the amount of additional Employer Payment or additional Participant Payment, as well as for the financial consequences of incomplete or erroneous data provided by the Employer or other parties making requests which make it impossible to correctly settle ECP Payments or comply with a request.

### **§ 38. LIABILITY OF THE EMPLOYER AND PARTICIPANTS**

1. The Employer shall be liable towards Participants and the Fund for failing to fulfil or improperly fulfilling its obligations defined in the ECP Operation Agreement, ECP Management Agreement, or these Regulations, and for failing to correctly calculate and make ECP Payments to ECP Accounts of Participants or failing to do so on time, subject to the provisions of section 2 below.
2. The Employer may not be held liable for failing to calculate, collect, or make Payments or failing to do so correctly if such a failure was due to the Employer receiving incorrect information from the relevant Employee and this resulted in erroneous decisions being made with regard to a given Employee being subject to mandatory retirement and disability pension insurance in connection with being employed at the Employer's.

## **IX. APPLICATION OF AGREEMENTS**

### **§ 39. CHANGES TO CONTENTS OF AGREEMENTS**

1. Changes to Agreements shall be made, under pain of nullity, in electronic form making it possible to record them on a Permanent Carrier or in writing.
2. Changes regarding the following effected by the Employer shall not require concluding an addendum:
  - 1) ECP Management Agreement as far as additional Employer Payments are concerned;
  - 2) Appendix 1 to the ECP Operation Agreement containing the List of Participants.
3. The creation of new Fixed-Date Subfunds for subsequent periods of five years and the merging or liquidation of Subfunds shall not require changing the Agreements.
4. A change to the data of the Employer, the Fund, or the Company shall not amount to a change of the Agreements.

### **§ 40. TERMINATION OF AGREEMENTS**

1. The ECP Management Agreement may be terminated by the Fund if:
  - 1) a Party fails to comply with material provisions of the Agreement or Regulations, particularly as regards prompt Payments and other instructions issued as part of ECP;
  - 2) proper performance of the Agreement is impossible for objective reasons.



2. The ECP Management Agreement may be terminated by the Fund observing a period of notice of three months and in writing or in an electronic form making it possible to record such termination on a Permanent Carrier.
3. The Employer may terminate the ECP Management Agreement at any time without observing any period of notice.
4. Before terminating the ECP Management Agreement, the Employer shall conclude an ECP management agreement with Another Financial Institution.
5. The Fund may not terminate the ECP Operation Agreement.

## **X. OTHER PROVISIONS**

### **§ 41. CHANGES TO THE REGULATIONS**

1. The Regulations may be changed for material reasons which shall include:
  - 1) changes to commonly applicable provisions of the law pertaining to Subfunds or ECP which affect the wording of the Regulations or performance of the Agreements,
  - 2) the issuance of decisions, announcements, recommendations, or suggestions by public authorities, particularly by KNF Financial Supervision Authority or the Consumer and Competition Protection Office (UOKiK) or the issuance by courts of general jurisdiction of decisions affecting the wording of the Regulations or performance of the Agreements,
  - 3) changes regarding the conditions for accumulating funds and their management by Subfunds, particularly changes involving the creation of a new Subfund, the merging of Subfunds, or the liquidation of Subfunds,
  - 4) updating of current or introduction of new technical and organisational functionalities which do not have any negative impact on the situation of the Employer or the Participant,
  - 5) changes to the scope of services to which the Regulations apply which do not have any negative impact on the situation of the Employer or the Participant.
2. The Employer and ECP Participants shall be notified by the Fund of changes to the Regulations by means of the relevant information being transferred in electronic form to the e-mail address indicated by the Employer or the ECP Participant as the case might be or in the form of an SMS message to the mobile phone number indicated by the ECP Participant (only applicable to ECP Participants) or in writing in the form of a notification sent to the contact address of the Employer or the ECP Participant.
3. Information about changes of the Regulations transferred in line with the provisions of section 2 shall also be made available in the IAT FI Application and published on the website of the Company at [www.pfrtfi.pl](http://www.pfrtfi.pl).
4. Changes to the Regulations may not become effective before 30 days have passed from their publication in the way indicated in sections 2 and 3 unless the Fund indicates a different date when such changes are to become effective in the messages indicated in sections 2 and 3.
5. If the Employer does not accept changes to the Regulations, the Employer shall have the right to terminate the ECP Management Agreement under § 40 above. If the Employer fails to submit a notice of termination regarding the ECP Management Agreement before the deadline indicated in section 4, it shall be assumed that the Employer accepts the relevant changes to the Regulations. If this is the case, such changes to the Regulations shall be binding for the Employer as of the day indicated in the communication discussed in section 4.
6. If no consent is given to changes to the Regulations, a Participant shall have the right to make a request for Return or Transfer Disbursement pursuant to the rules provided for in § 29 or § 24 above respectively and to submit to the Employer a declaration of resignation from saving as part of ECP in line with the rules provided for in § 13 above. If the Participant fails to make at least one of the requests discussed in the preceding sentence





and does not make a declaration of resignation from Payments to ECP, it shall be assumed that the Participant accepts such changes to the Regulations. If this is the case, such changes to the Regulations shall be binding for the Participant as of the day indicated in the communication discussed in section 4.

#### **§ 42. PERSONAL DATA PROTECTION**

1. The Fund may process the personal data of the Employer who is a natural person pursuing business activity, of Participants, their attorneys-in-fact, the spouses or former spouses of Participants, of children of Participants, and of Authorised Persons. The personal data of the above-indicated entities shall be processed in line with commonly applicable provisions of the law, particularly in line with the Regulation of the European Parliament and of the Council (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (General Data Protection Regulation - hereinafter referred to as GDPR).
2. The Agreement may be concluded on condition that the Employer provides their personal data. The processing of personal data is necessary for the conclusion and performance of the Agreement and for fulfilling legal obligations.
3. Entities from whom the Fund shall obtain the personal data of Participants, their attorneys-in-fact, the spouses or former spouses of Participants, of children of Participants, and of Authorised Persons (or other heirs) shall be: the Employer, the Participants themselves, spouses or former spouses of Participants.
4. The Fund shall be the collector of personal data.
5. The Employer and Participants shall have the right to contact the Data Protection Officer (DPO) of the Company at e-mail: dane.osobowe@pfrtfi.pl, phone no. +48 22 341 70 00.
6. Personal data shall be processed:
  - 1) for marketing purposes under the relevant consent;
  - 2) for concluding and performing the Agreement;
  - 3) for fulfilling the legal obligation of the Fund under the Act;
  - 4) in order to make it possible to take operative steps related to ECP to the extent in which this is connected with personal data processing;
  - 5) for archiving purposes related to fulfilment by the Fund of its relevant obligations;
  - 6) for defence against claims levelled by third parties against the Fund and for determining and seeking to enforce claims against third parties by the Fund.
7. The person indicated in section 1 may revoke their consent to personal data processing at any time; however, such a revocation of consent shall have no impact whatsoever on the lawfulness of processing which took place to that date.
8. Personal data following from the conclusion of the Agreement shall be processed throughout its effective period and then for a period during which claims related to it may be levelled, i.e. for a period of 6 years. Personal data processed under the consent shall be processed until the person indicated in section 1 revokes their consent.
9. Personal data may be entrusted to other entities whose services the Fund or the Company use in connection with performing the Agreement, including the Custodian and the Transfer Agent.
10. In line with GDPR, a person whose personal data the Fund acquires and processes shall have the right to:
  - 1) access their personal data and receive copies thereof,
  - 2) rectify (correct) their personal data,
  - 3) delete, restrict the processing of, or object to the processing of their data,



- 4) transfer data,
  - 5) file a complaint with the supervisory authority.
11. Personal data shall not be transmitted to recipients in countries outside of the European Economic Area.

### § 43. COMPLAINTS

1. The Fund shall make it possible to make complaints:
  - 1) electronically using a contact form available on the following website: [www.pfrtfi.pl](http://www.pfrtfi.pl).
  - 2) in writing to the following address:
    - a) Transfer Agent:  
PKO BP Finat Sp. z o.o.  
ul. Grójecka 5  
02-019 Warszawa
    - or
    - b) Company:  
PFR TFI SA  
ul. Krucza 50  
00-025 Warszawa
  - 3) by phone to the following number: +48 22 539 26 11
2. In a complaint, the data of ECP Participant / prospective ECP Participant to whom the complaint pertains or of another party making the complaint shall be unambiguously indicated and the object of the complaint and the request made by the party making it shall be clearly defined and a justification for such a request shall also be provided.
3. Complaints shall be reviewed without delay and within 30 days from their receipt by the Company. The Company reserves the right to contact the party making the complaint, the ECP Participant, or the prospective ECP Participant if the situation requires additional explanations related to the relevant Complaint. If this is justified, the Company shall notify the party making the complaint of an extension of the period for reviewing their Complaint with the proviso that said period may not be extended beyond 60 days.
4. The Company shall reply to a Complaint in writing unless there are, in the Complaint itself, instructions to reply to the Complaint electronically to the e-mail address indicated in the Complaint.
5. Detailed rules for making and reviewing Complaints are defined in the Regulations for reviewing complaints at PFR TFI S.A. available on the website of the Company: [www.pfrtfi.pl](http://www.pfrtfi.pl).

#### Appendices:

1. ECP Operation Agreement

