COMMITTEE OF EXPERTS ON THE EVALUATION OF ANTI-MONEY LAUNDERING MEASURES AND THE FINANCING OF TERRORISM (MONEYVAL)

MONEYVAL(2013)2ANN

Report on Fourth Assessment Visit - Annexes

Anti-Money Laundering and Combating the Financing of Terrorism

POLAND

11 APRIL 2013

Poland is a member of MONEYVAL. This evaluation was conducted by MONEYVAL and the mutual evaluation report on the 4th assessment visit of Poland was adopted at its 41st Plenary (Strasbourg, 9-12 April 2013)

ANNEXES TO THE REPORT ON THE 4TH ASSESSMENT VISIT TO POLAND

Codes

Excerpts from the Penal Code

Chapter I: Principles of penal liability
Article 9

§ 1. A prohibited act is committed intentionally when the perpetrator intents to commit it, in the meaning of he is willing to commit it or foreseeing the possibility of perpetrating it, he accepts it.

§ 2. A prohibited act is committed without intent when the perpetrator doesn't intent to commit it, nevertheless does it because he is not careful in the manner required under the circumstances, although he should or could have foreseen the possibility of committing the prohibited act.

§ 3. The perpetrator shall be liable to a more severe liability which the law makes contingent on a certain consequence of a prohibited act, if he has and could have foreseen such a consequence.

Chapter II: Forms of Commission of an Offence
Article 13

§ 1. Whoever with the intent to commit a prohibited act directly attempts its commission through his conduct which, subsequently however does not take place, shall be held liable for an attempt.

§ 2. An attempt also occurs when the perpetrator is not himself aware of the fact that committing it is impossible because of the lack of a suitable object on which to perpetrate the prohibited act or because of the use of means not suitable for perpetrating this prohibited act.

Article 14

§ 1. The court shall impose a penalty for an attempt within the limits of the penalty provided for the given offence.

§ 2. In the case specified in Article 13 § 2 the court may apply extraordinary mitigation of punishment or even renounce its imposition.

Article 15

§ 1. Whoever has voluntarily abandoned the prohibited act or prevented the consequence shall not be subject to penalty for the attempt.

§ 2. The court may apply an extraordinary mitigation of punishment to a perpetrator who has voluntarily attempted to prevent the consequence which constituted a feature of the prohibited act.

Article 16

§ 1. Preparation only occurs when the perpetrator, in order to commit a prohibited act, undertakes activities aimed at creating the conditions for effecting an act leading directly

to commission of the prohibited act, particularly when, for this purpose, he enters into an arrangement with another person, acquires or makes ready the means, gathers information or concludes a plan of action.

§ 2. Preparation is subject to a penalty only when the law so provides.

Article 17

§ 1. Whoever voluntarily abandoned preparation, and particularly, when he destroyed the prepared means or prevented them from being utilised in the future shall not be subject to penalty. In the case of entering an arrangement with another person in order to commit a prohibited act, whoever undertook an essential endeavour aimed at preventing the commission of the prohibited act, shall not be subject to penalty.

§ 2. The person to whom Article 15 § 1 applies shall not be liable to penalty for preparation.

Article 18

§ 1. Not only the person who has committed a prohibited act himself or together and under arrangement with another person, but also a person who has directed the commission of a prohibited act by another person, or taken advantage of the subordination of another person to him, orders such a person to commit such a prohibited act, shall be liable for perpetration.

§ 2. Whoever, willing that another person should commit a prohibited act, induces the person to do so, shall be liable for instigating.

§ 3. Whoever, with an intent that another person should commit a prohibited act, facilitates by his behaviour the commission of the act, particularly by providing the instrument, means of transport, or giving counsel or information, shall be liable for aiding and abetting. Furthermore, whoever, acting against a particular legal duty of preventing the prohibited act, facilitates its commission by another person through his omission, shall also be liable for aiding and abetting.

Article 19

§ 1. The court shall impose the penalty for instigating, and aiding and abetting within the limits of the sanction provided in law for perpetrating.

§ 2. In imposing the penalty for aiding and abetting, the court may apply extraordinary mitigation of punishment.

Article 20

Each persons co-operating in the perpetration of a prohibited act shall be liable within the framework of his/her intention or lack of it, irrespective of the liability of others co-operating in the perpetration.

Article 21

§ 1. Circumstances pertaining to an individual, excluding or mitigating, or aggravating his criminal liability shall be taken into account only with regard to the person they pertain to.

§ 2. If an individual circumstance regarding the perpetrator, even if it is conducive only to aggravation of penalty, constitutes a feature of a prohibited act, the person co-operating shall be held liable under criminal law, for this prohibited act, when he knew about this circumstance, even though it did not pertain to himself.

§ 3. With regard to a person co-operating to whom the circumstance referred to under § 2 does not apply, the court may apply extraordinary mitigation of punishment.

Article 22

§ 1. When the commission of an prohibited act was only attempted, the subject specified in Article 18 §§ 2 and 3 shall be liable as for an attempt.

§ 2. When the commission of a prohibited act was not attempted, the court may apply extraordinary mitigation of punishment or even renounce the imposition of the penalty.

Article 23

§ 1. A person co-operating in the perpetration of a prohibited act, who voluntarily prevented its perpetration shall not be liable for penalty.

§ 2. The court may apply extraordinary mitigation of punishment with regard to a person co-operating in perpetration, who voluntarily tried to prevent the perpetration thereof.

Article 24

Whoever incites another person to commit a prohibited act, in order to direct criminal proceedings towards such a person, shall be liable as for instigating; in this case Articles 22 and 23 shall not be applied.

Chapter V: Penal measures

Article 44

§ 1. The court shall impose the forfeiture of items directly derived from an offence.

§ 2. The court may decide on the forfeiture, where law so provides for, of the items which served or were designed for committing the offence.

§ 3. The forfeiture described in § 2 shall not be applied if its imposition would not be commensurate with the severity of the offence committed, the court may impose a compensatory damages to the State Treasury instead.

§ 4. In the event that imposing the forfeiture of items specified in §§ 1 or 2 is not possible, the court may impose the obligation to pay a pecuniary equivalent of items directly derived from an offence or items which served or were designed for committing the offence.

§ 5 The forfeiture of items referred to in § 1 or 2 shall not be imposed if they are subject to return to the injured person or other legitimate entity.

§ 6. In the event that the conviction has pertained to an offence of violating a prohibition of production, possession or dealing in or transporting specific items, the court may decide or, if the law so provides, shall decide on the forfeiture thereof.

§ 7. If the items referred to in § 2 or 6 are not the property of the perpetrator, the forfeiture may be decided by the court only in the cases provided for in the law; in the case of co-ownership, the decision shall cover only the forfeiture of the share owned by the perpetrator, or the obligation to pay a pecuniary equivalent of its value.

§ 8. Property which is the subject of forfeiture shall be transferred to the ownership of the State Treasury at the time the sentence becomes final and valid.

Article 45

§ 1 If a perpetrator received any benefit from an offence, even indirectly, which shall not be subject to forfeiture of items referred to in art. 44 § 1 or 6, a court shall impose forfeiture of such benefit or pecuniary equivalent of its value. Forfeiture shall not be applied to the benefit as a whole or its part if the benefit or its pecuniary equivalent is subject to return to the injured person or another entity.

§ 2 In the case of sentencing for the offence from which the perpetrator received, even indirectly any benefit of considerable value, the property that the perpetrator received or took possession of or to which the perpetrator received any legal title, during or after the commission of the offence, even before any final judgement, is deemed to be the benefit derived from the offence unless the perpetrator or any other interested person proves otherwise.

§ 3 When the circumstances of the case indicate that there is high probability that the perpetrator referred to in § 2- transferred, practically or under any other legal title, property derived form the offence to a natural person or legal person or other entity not having legal personality, items being in autonomous possession of that person or entity as well as their property rights are deemed to belong to the perpetrator unless any interested person or organizational unit proves that they were legally received.

§ 4. The provisions of § 2 and 3 shall be also applied while execution of the seizure pursuant to the provision of Article 292 § 2 of the Code of Criminal Procedure, while securing the benefits threatened with forfeiture and enforcing this measure. A person or an entity to which the allegation provided for in § 3 refers may bring an action against the State Treasury concerning the reversal of this allegation; the enforcement proceedings shall be suspended until the case is legally concluded.

§ 5. In the case of co-ownership, the forfeiture of the perpetrator's share in co-property or the forfeiture of share's in co-property equivalent shall be exacted.

§ 6. The material benefit or its equivalence subject to forfeiture shall be passed to the State Treasury from the moment the judgement becomes valid and final, and in the case referred to in § 4, sentence 2, from the moment the judgement dismissing the claim against the State Treasury becomes valid and final.

Chapter XIII: Liability for offences committed abroad

Article 109

The Polish penal law shall be applied to Polish citizens who have committed an offence abroad.

Article 110

§ 1. The Polish penal law shall be applied to aliens who have committed abroad an offence against the interests of the Republic of Poland, a Polish citizen, a Polish legal person

or a Polish organisational unit not having legal personality and to aliens who have committed abroad a terrorist offence.

§ 2. The Polish penal law shall be applied to aliens in the case of the commission abroad an offence other than listed in § 1, if, under the Polish penal law, such an offence is subject to a penalty exceeding 2 years of deprivation of liberty, and the perpetrator remains within the territory of the Republic of Poland and no decision on his extradition has been taken.

Article 111

§ 1. The requirement for liability for an act committed abroad is that an act is likewise recognised as an offence by a law in force in the place of its commission.

§2. If there are differences between the Polish penal law and the law in force in the place of commission, the court may take these differences into account in favour of the perpetrator.

§ 3. The condition provided for in § 1 shall not be applied neither to the Polish public official, performing his duties abroad, has committed an offence in connection with his functions, nor to a person who committed an offence in a place beyond the jurisdiction of any state authority.

Article 112

Notwithstanding the provisions in force in the place of the commission of the offence the Polish penal law shall be applied to a Polish citizen or an alien in case of the commission of:

1) an offence against the internal or external security of the Republic of Poland;
2) an offence against Polish offices or public officials;
3) an offence against essential economic interests of Poland
4) an offence of false deposition made before a Polish office.
5) an offence from which any material benefit has been obtained, even indirectly, within the territory of the Republic of Poland.

Article 113

Notwithstanding the provisions binding in the place of committing an offence, the Polish Penal law shall be applied to a Polish national and an alien, whose surrender has not been decided if such an alien has committed an offence abroad and the Republic of Poland is obliged to prosecute such crime under an international treaty or if an offence committed by such an alien is specified in the Rome Statute of the International Criminal Court, drawn up in Rome on 17 July 1998 (Journal of Laws of 2003, No. 78, pos. 708).

Article 114

§ 1. A sentencing judgement rendered abroad shall not bar criminal proceedings for the same offence from being instituted before a Polish court.

§ 2. The court shall credit to the penalty, imposed the period of deprivation of liberty actually served abroad and the penalty there executed, taking into consideration the differences between these penalties.

§ 3. The provision of § 1 shall not apply:

1) in the event that the sentencing judgement adjudicated abroad was taken over to be enforced in the territory of the Republic of Poland and in the event that the sentence passed abroad refers to an offence with respect to which either the prosecution was taken over or the perpetrator was surrendered from the territory of the Republic of Poland

2) to verdicts of international criminal courts operating under international law that is binding for the Republic of Poland,

3) to valid court sentences or decisions of other bodies of foreign states concluding penal proceedings if it results from an international treaty binding for the Republic of Poland.

§ 4. If a Polish citizen validly and finally sentenced by a court in a foreign country, has been transferred to execute the sentence within the territory of the Republic of Poland, the court shall determine, under Polish law, the legal classification of the act, and the penalty to be executed or any other penal measure provided for in this Act; the basis for determination of the penalty or other measure subject to execution shall be provided by the sentencing judgement rendered by a court of a foreign country, the penalty prescribed for such an act under Polish law, the period of actual deprivation of liberty abroad, the penalty or other measure executed there, and the differences between these penalties considered to the favour of the sentenced person.

Chapter XIV: Explanation of terms of the law

Article 115

§ 1. A prohibited act is a behaviour displaying the characteristics specified in the penal law as unlawful.

§ 2. In assessing the level of social consequences of an act, the court shall take into account the type and nature of the infringed interest, the dimension of the damage caused or anticipated damage, the method and circumstances of perpetrating the act, the importance of the duties breached by the perpetrator, as well as the form of intent and motivation of the perpetrator, the type of precautionary rules breached and the degree of the transgression.

§ 3. Similar offences are offences of the same type; the offences committed with the use of violence or with the threat of its use, or the offences committed with an intent to secure financial or material benefits shall be regarded as similar offences.

§ 4 The material or personal benefit constitutes the benefit for the person himself or for another entity;

§ 5. A property of a considerable value is such a property whose value at the time of committing a prohibited act exceeds PLN 200,000.

§ 6. A property of a considerable value is such a property whose value at the time of committing a prohibited act exceeds PLN 1,000,000.

§ 7 The provisions of § 5 and 6 shall be applied also to the expressions; "considerable damage" and "damage of great dimensions".

§ 8. (repealed).

§ 9. A movable item or chattel is also Polish or foreign currency or other means of payment and a document which entitles to obtain a sum of money or includes the obligation to pay principal, or interest, share in the profits or a declaration of participation in a company [or partnership].

§ 10 A juvenile is a perpetrator who, at the time of the commission of a prohibited act has not reached the age of 21 years and has not reached the age of 24 years at the time of the trial in the first-instance court.

§ 11 A next of kin is a spouse, an ascendant, descendant, brother or sister, relative by marriage in the same line or degree, a person being an adopted relation, as well as his spouse, and also a person actually living in co-habitation.

§ 12 An illegal threat is both a threat mentioned in Article 190, and also a threat to cause the institution of criminal proceedings, or to disseminate derogatory information concerning the person threatened or his next of kin. A declaration that the institution of criminal proceedings will be effected if made solely with the purpose of protecting the legal right violated by the offence, shall not constitute a threat.

§ 13. A public official is:

1) the President of the Republic of Poland;

2) a deputy to the Parliament, a councillor;

2a) a deputy to the European Parliament

3) a judge, layman, prosecutor, official of a financial body of preparatory proceedings or of a supervisory body over the financial body of preparatory proceedings, notary, enforcement officer, probation officer, receiver, supervisor appointed by the court and administrator, person who adjudicates in disciplinary bodies acting under this law,

4) a person who is an employee in a state administration, other state authority or local government, except when he performs only service-type work, and also other persons to the extent in which they are authorised to render administrative decisions;

5) a person who is an employee of a state auditing and inspection authority or of a local government auditing and inspection authority, except when he performs only service-type work;

6) a person who occupies a managerial post in another state institution;

7) an official of an authority responsible for the protection of public security or an official of the State Prison Service;

8) a person performing active military service;

9) a staff member of an international penal court unless such member provides services exclusively.

§ 14. A document is any object or record on a computer data carrier to which is attached a specific right, or which in connection with the subject of its content, constitutes evidence of a right, a legal relationship or a circumstance which may have legal significance.

§ 15. For the purposes of this Code, a permanent rig on the continental shelf shall be regarded as a sea vessel.

§ 16. For the purposes of this Code, the state of insobriety is when:

1) the alcohol content in the blood exceeds 0.5 per mille or leads to the concentration exceeding this level;

2) the alcohol content in 1 dm3 of the exhaled air exceeds 0.25 mg or results in the

concentration exceeding this level.

§ 17. A soldier is a person performing active military service.

§ 18.An order is a command to undertake or refrain from taking a specified action issued officially to a soldier by his superior or an authorised soldier of a superior rank.

§ 19. A person performing public functions is a public official, a member of the local government authority, a person employed in an organisational unit which has access to public funds, unless this person performs exclusively service type work, as well as another person whose rights and obligations within the scope of public activity are defined or recognised by a law or an international agreement binding for the Republic of Poland.

§ 20 A terrorist offence is a prohibited act subject to the penalty of deprivation of liberty with the upper limit of at least five years, committed in order to:

1) seriously intimidate many persons;

2) to compel public authority of the Republic of Poland or of the other State or of international organization agency to undertake or abandon specific actions;

3) cause serious disturbance to the constitutional system or to the economy of the Republic of Poland, of the other State or international organization - and a threat to commit such an act.

§ 21. An offence of a hooligan nature consists in an intentional assault on health, liberty, dignity or bodily inviolability, on public safety, on activity of state institutions or territorial authorities, on public order or on intentional destruction, damage or making another person’s property unfit for use if the perpetrator acts in public and without any reason or for a minor cause demonstrating gross disrespect for public order.

§ 22. Human trafficking means recruitment, transportation, transfer, harbouring or receipt of persons with the use of the following:

1) violence or unlawful threat,

2) recruitment,

3) deception,

4) use of a deceit or taking advantage of inability for proper understanding of taken actions,

5) abuse of dependence in the relationship, abuse of critical situation or a state of helplessness,

6) provision or acceptance of material or personal benefit or promise thereof to a person taking care or having custody of another person - in order to abuse such person even if such abuse is performed upon the consent of such abused person, specifically in prostitution, pornography or other forms of sexual abuse, in forced labour or services, begging, slavery or other forms of abuse of human dignity or for the purpose of acquiring cells, tissues or organs in violation of the provisions of this law. If the conduct of the perpetrator is directed against a juvenile, it constitutes human trafficking, even if methods or measures mentioned in sections 1-6 have not been applied.

§ 23. Slavery is a state of dependence, in which a human being is treated as a private property.

Chapter XVI: Offences against peace, and humanity, and war crimes

Article 120

Whoever uses a means of mass extermination prohibited by international law,

shall be subject to the penalty of the deprivation of liberty for a minimum term of 10 years, the penalty of deprivation of liberty for 25 years or the penalty of deprivation of liberty for life.

Article 121

§ 1. Whoever, violating the prohibition contained in international law or in internal law, manufactures, amasses, purchases, trades, stores, carries or dispatches the means of mass extermination or means of warfare, or undertakes research aimed at the manufacture or usage of such means,

shall be subject to the penalty of the deprivation of liberty for a term of between 1 and 10 years.

§ 2. The same punishment shall be imposed on anyone, who allows the commission of the act specified under § 1.

Article 123

§ 1. Whoever, in violation of international law, commits the homicide of

1) persons who surrendered, laid down their arms or lacked any means of defence,

2) the wounded, sick, shipwrecked persons, medical personnel or clergy,

3) prisoners of war,

4) civilians in an occupied area, annexed or under warfare, or other persons who are protected by international law during warfare,

shall be subject to the penalty of the deprivation of liberty for a minimum term of 12 years, the penalty of deprivation of liberty for 25 years or the penalty of deprivation of liberty for life.

§ 2. Whoever, in violation of international law, causes the persons specified under § 1 to suffer serious detriment to health, subjects such persons to torture, cruel or inhumane treatment, makes them even with their consent the objects of cognitive experiments, , uses their presence to protect a certain area or facility, or armed units from warfare, or keeps such persons as hostages

shall be subject to the penalty of the deprivation of liberty for a minimum term of 5 years or the penalty of deprivation of liberty for 25 years

Chapter XVII: Offences against the Republic of Poland

Article 134

Whoever makes attempt on the life of the President of the Republic of Poland

shall be subject to the penalty of the deprivation of liberty for a minimum term of 12 years, the penalty of deprivation of liberty for 25 years or the penalty of deprivation of liberty for life.

Article 135

§ 1. Whoever commits an active assault on the President of the Republic of Poland shall be subject to the penalty of the deprivation of liberty for a term of between 3 months and 5 years.

§ 2. Whoever insults the President of the Republic of Poland in public shall be subject to the penalty of the deprivation of liberty for up to 3 years.

Article 136

§1. Whoever on the territory of the Republic of Poland, commits an active assault upon the head of a foreign State, upon the head of the diplomatic representation of a foreign State, who is accredited to the Republic of Poland, or upon a person enjoying similar protection by virtue of law, treaty or generally accepted international custom,

shall be subject to the penalty of deprivation of liberty for a term of between 3 months and 5 years.

§ 2. Whoever on the territory of the Republic of Poland, commits an active assault upon a person belonging to the diplomatic personnel of a mission of a foreign country to Poland, or on a consular official of a foreign country in connection with the performance of their official duties

shall be subject to the penalty of the deprivation of liberty for up to 3 years.

§ 3. The punishment specified in § 2 shall be imposed on anyone, who, on the territory of the Republic of Poland, insults the person referred to in § 1, in public,

§ 4. Whoever on the territory of the Republic of Poland insults the person referred to in § 2, in public,

shall be subject to the penalty of restriction of liberty or the penalty of deprivation of liberty for up to one year.

CHAPTER XIX: Offences Against Life and Health

Article 148

§ 1. Whoever kills a human being

shall be subject to the penalty of the deprivation of liberty for a minimum term of 8 years, the penalty of deprivation of liberty for 25 years or the penalty of deprivation of liberty for life .

§ 2. Whoever kills a human being:

1) with particular cruelty,
2) in connection with hostage taking, rape or robbery,
3) for motives deserving particular reprobation,
4) with the use of firearms or explosives

shall be subject to the depravation of liberty for 25 or the penalty of life sentence.

§ 3. Whoever kills more than one person in one act or has earlier been validly and finally convicted for homicide

shall be also subject to the penalty specified in § 2.

§ 4. Whoever kills a person due to the influence of an intense emotion justified by the circumstances

shall be subject to the penalty of the deprivation of liberty for a term of between 1 and 10 years.

Article 156

§ 1. Whoever causes grievous bodily harm in a form which:

1) deprives a human being of sight, hearing, speech or the ability to procreate, or

2) inflicts on another a serious crippling injury, an incurable or prolonged illness, an illness actually dangerous to life, a permanent mental illness, a permanent total or substantial incapacity to work in an occupation, or a permanent serious bodily disfigurement or deformation

shall be subject to the penalty of the deprivation of liberty for a term of between 1 and 10 years.

§ 2. If the perpetrator acts unintentionally he shall be subject to the penalty of deprivation of liberty for up to 3 years.

§ 3. If the consequence of an act specified in § 1 is the death of a human being, the perpetrator shall be subject to the penalty of the deprivation of liberty for a term of between 2 and 12 years.

Article 160

§ 1. Whoever exposes a human being to an immediate danger of loss of life, a serious bodily injury, or a serious impairment of health

shall be subject to the penalty of deprivation of liberty for up to 3 years.

§ 2. If the perpetrator has a duty to take care of the person exposed to danger he

shall be subject to the penalty of the deprivation of liberty for a term of between 3 months and 5 years.

§ 3. If the perpetrator of an act specified in §1 or 2 acts unintentionally he

shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to one year.

§ 4. A perpetrator who voluntarily averted the impeding danger shall not be subject to the penalty for the offence specified in § 1-3.

§ 5. The prosecution of the offence specified in § 3 shall occur on a motion of the injured person.

Chapter XX: Offences against Public Safety

Article 163

§ 1. Whoever causes an event which imperils human life or the health of many persons, or property of a considerable extent, and takes the form of:

1) fire,

2) collapse of a structure, flooding, rock or landslide or snow avalanche,

3) blast of explosives or flammable materials or any other form of a violent release of energy, or poisonous, suffocating or burning substances,

4) violent release of nuclear energy or of ionising radiation

shall be subject to the penalty of the deprivation of liberty for a term of between 1 and 10 years.

§ 2. If the perpetrator acts unintentionally he shall be subject to the penalty of the deprivation of liberty for a term of between 3 months and 5 years.

§ 3. If the consequence of the act specified in § 1 is the death of a human being or the grievous bodily harm of many persons, the perpetrator shall be subject to the penalty of the deprivation of liberty for a term of between 2 years and 12 years.

§ 4. If the consequence of the act specified in § 2 is the death of a human being or the grievous bodily harm of many persons, the perpetrator shall be subject to the penalty of the deprivation of liberty for a term of between 6 months and 8 years.

Article 164

§ 1. Whoever causes the immediate possibility of an event mentioned in Article 163 § 1,

shall be subject to the penalty of the deprivation of liberty for a term of between 6 months and 8 years.

§ 2. If the perpetrator acts unintentionally he shall be subject to the penalty of deprivation of liberty for up to 3 years.

Article 165

§ 1. Whoever causes danger to the life or health of many persons or property of a considerable value by:

1) causing an epidemiological hazard or spread of a contagious disease or an animal or plant disease (pest),

2) producing or marketing substances, foodstuffs or other commonly used goods harmful to health or pharmaceutical preparations which do not conform to binding quality standards,

3) causing damage to or preventing the operations of a public service equipment, in particular the equipment supplying water, light, heat or energy or equipment averting the occurrence of public danger or serving to prevent it,

4) disturbing, preventing or affecting automatic processing, gathering or transmission of information data,

5) acting in another manner in especially dangerous circumstances

shall be subject to the penalty of the deprivation of liberty for a term of between 6 months and 8 years.

§ 2. If the perpetrator acts unintentionally he shall be subject to the penalty of deprivation of liberty for up to 3 years.

§ 3. If the consequence of the act specified in § 1 is the death of a person, or grievous bodily harm to many persons, the perpetrator shall be subject to the penalty of the deprivation of liberty for a term of between 2 and 12 years.

§ 4. If the consequence of act specified in § 2 is the death of a person, or grievous bodily harm to many persons, the perpetrator shall be subject to the penalty of the deprivation of liberty for a term of between 6 months and 8 years.

Article 165a

Whoever gathers, conveys or offers legal tenders, financial instruments, securities, foreign currencies, property rights or other movable or unmovable property for the purpose of financing a crime of a terrorist nature,

shall be subject to the depravation of liberty for a term of between 2 to 12 years.

Article 166

§ 1. Whoever, using a deceit or violence, or a threat to use such violence, takes control of a ship or an aircraft,

shall be subject to the penalty of the deprivation of liberty for a term of between 2 and 12 years.

§ 2. Whoever, acting in the manner specified in § 1, brings about a direct danger to the life or health of many persons

shall be subject to the penalty of the deprivation of liberty for a minimum term of 3 years.

§ 3. If the consequence of the act specified in § 2 is the death of a person, or grievous bodily harm to many persons, the perpetrator shall be subject to the penalty of the deprivation of liberty for a minimum term of 5 years or the penalty of deprivation of liberty for 25 years.

Article 167

§ 1. Whoever places on a ship or aircraft a device or substance threatening the safety of persons or a property of high value

shall be subject to the penalty of the deprivation of liberty for a term of between 3 months and 5 years.

§ 2. The same punishment shall be imposed on anyone, who destroys, damages or renders unfit for use a navigational equipment or prevents operating thereof, when this may threaten the safety of persons.

Chapter XXI: Offences Against Safety in Traffic

Article 173

§ 1. Whoever causes a catastrophe on land or water or to air traffic which imperils life or health of many persons, or property of a considerable extent

shall be subject to the penalty of the deprivation of liberty for a term of between 1 and 10 years.

§ 2. If the perpetrator acts unintentionally he

shall be subject to the penalty of the deprivation of liberty for a term of between 3 months and 5 years.

§ 3. If the consequence of the act specified in § 1 is the death of a human being or the grievous bodily harm to many persons, the perpetrator

shall be subject to the penalty of the deprivation of liberty for a term of between 2 and 12 years.

§ 4. If the consequence of the act specified in § 2 is the death of a human being or the grievous bodily harm to many persons, the perpetrator

shall be subject to the penalty of the deprivation of liberty for a term of between 6 months and 8 years.

Article 174

§ 1. Whoever causes an immediate danger of a catastrophe on land or water or to air traffic

shall be subject to the penalty of the deprivation of liberty for a term of between 6 months and 8 years.

§ 2. If the perpetrator acts unintentionally he

shall be subject to the penalty of deprivation of liberty for up to 3 years.

Chapter XXII: Offences against the Environment

Article 181

§ 1. Whoever causes destruction of plant or animal life of considerable dimensions

shall be subject to the penalty of the deprivation of liberty for a term of between 3 months and 5 years.

§ 2. Whoever, in violation of the provisions in force in the protected area, destroys or damages plants or animals, causing serious harm

shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to 2 years.

§ 3. The same penalty shall be imposed on anyone who, irrespective of place of the act, destroys or damages plants or animals under protection, causing essential harm.

§ 4. If the perpetrator of the act specified in § 1 acts unintentionally he shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to 2 years.

§ 5. If the perpetrator of the act specified in § 2 or 3 acts unintentionally, heshall be subject to a fine or the penalty of restriction of liberty .

Article 182

§ I. Whoever pollutes the water, air or ground with a substance or contaminates with ionising radiation in such quantities or form that it could endanger the life or health of many persons or cause destruction to plant and animal life of considerable dimensions

shall be subject to the penalty of the deprivation of liberty for a term of between 3 months and 5 years.

§ 2. If the perpetrator acts unintentionally he shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to 2 years.

Article 183

§1. Whoever, in violation of the provisions in force, stores, removes, processes, recycles, disposes of or transports waste or a substance in such conditions or in such

manner that it can be hazardous to life or health of many persons or may cause destruction in the habitat for plants or animals to a considerable extent,

shall be subject to the penalty of the deprivation of liberty for a term of between 3 months and 5 years.

§ 2. Whoever brings a substance that is hazardous to the environment from abroad

shall be subject to the above-mentioned penalty.

§ 3. Whoever in violation of a duty allows for the commission of the act specified in § 1, 2 and 4

shall be subject to the penalty mentioned in § 1

§ 4. Whoever, in violation of the provisions in force, brings waste from abroad or takes waste abroad

shall be subject to the penalty mentioned in § 1.

§ 5. Whoever without the required declaration or a permit or in violence of the terms and conditions hereof brings from abroad or takes abroad hazardous waste,

shall be subject to the penalty of the depravation of liberty fir a term between 6 months to 8 years.

§ 6. If the perpetrator of the act specified in § 1-5 acts unintentionally, he shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to 2 years.

Article184

§ 1. Whoever carries, accumulates, stores, abandons or neglects without properly securing, a nuclear material or other source of ionising radiation, that could endanger the life or health of human beings or cause the destruction of plant or animal life of considerable dimensions

shall be subject to the penalty of the deprivation of liberty for a term of between 3 months and 5 years.

§ 2. The same punishment shall be imposed on anyone, who despite his duty allows the commission of the act specified in § 1.

§ 3. If the perpetrator of the act specified in § 1 or 2 acts unintentionally shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to 2 years.

Article 185

§ 1. If the consequence of the act specified in Article 182 § 1, Article 183 § 1 or 3 or Article 184 § 1 or 2 is the destruction of plant or animal life of considerable dimensions, the perpetrator shall be subject to the penalty of the deprivation of liberty for a term of between 6 months and 8 years.

§ 2. If the consequence of the act specified in Article 182 § 1, Article 183 § 1 or 3 or in Article 184 § 1 or 2 is the death of a human being or the serious bodily harm to many persons, the perpetrator shall be subject to the penalty of the deprivation of liberty for a term of between 2 and 12 years.

Article 186

§ 1. Whoever, despite his duty, does not properly maintain or use equipment protecting water, air or ground from pollution, or equipment protecting against radioactive or ionising radiation

shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to 2 years.

§ 2. The same punishment shall be imposed on anyone, who commissions or, despite his duties, permits a building stricture or a group of facilities not having equipment as required by law, to be used as specified in § 1.

§ 3. If the perpetrator of the act specified in § 1 or 2 acts unintentionally shall be subject to a fine or the penalty of restriction of liberty.

Article 187

§ 1. Whoever destroys, considerably damages or essentially reduces the natural values of a protected area or an object, causing considerable damage

shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to 2 years.

§ 2. If the perpetrator acts unintentionally he shall be subject to a fine or the penalty of restriction of liberty.

Article 188

Whoever, in violation of the law, builds a new facility or extends an existing one, or conducts business which threatens the environment

shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to 2 years.

Chapter XXIII: Offences Against Liberty

Article 189

§ 1. Whoever deprives a human being of their liberty

shall be subject to the penalty of the deprivation of liberty for a term of between 3 months and 5 years.

§ 2. If the depravation of liberty lasted up to seven days, the perpetrator

shall be subject to the penalty of the deprivation of liberty for a term of between 1 – 10 years.

§ 3. If the depravation of liberty mentioned in § 1 or 2 was associated with particular torment, the perpetrator

shall be subject to the penalty of the deprivation of liberty for a minimum term of 3 years.

Article 189a

§ 1. Whoever commits the crime of human trafficking,

shall be subject to the penalty of the deprivation of liberty for a minimum term of 3 years.

§ 2. Whoever commits an act of preparation for the crime specified in § 1,

shall be subject to the penalty of the depravation of liberty for a term between 3 months and 5 years.

Article 190

§ 1. Whoever makes a threat to another person to commit an offence detrimental to that person or detrimental to his next of kin, and if the threat causes in the threatened person a justified fear that it will be carried out

shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to 2 years.

§ 2. The prosecution shall occur on a motion of the injured person.

Chapter XXV: Offences against Sexual Liberty and Decency

Article 199

§ 1. Whoever subjects another person to sexual intercourse or any other sexual act or makes them perform such an act, abusing a relationship of dependence or taking advantage of a critical situation,

shall be subject to the penalty of deprivation of liberty for a term of maximum 3 years.

§ 2. If the offence described in § 1 is committed to the detriment of a minor the perpetrator

shall be subject to the penalty of deprivation of liberty for a term between 3 months and 5 years.

§ 3. The penalty under § 2 shall be imposed on a person who subjects a minor to a sexual act or makes them perform such an act, abusing a relationship of trust or in consideration of a material or personal benefit or a promise thereof given to the minor.

Article 200

§ 1. Whoever submits a minor under the age of 15 to sexual intercourse or commits any other sexual act thereon or causes a minor under the age of 15 to submit themselves to or to perform such acts

shall be subject to the penalty of deprivation of liberty for a term of between 2 and 12 years.

§ 2. The same penalty shall be imposed on a person who, in order to satisfy their sexual needs, shows a sexual act to a minor under 15 years of age.

Article 200a

§ 1. Whoever enters relationship with a minor under 15 years of age by means of information and communication technology or telecommunication network for the purpose of committing the offence specified in Article 197 § 3 section 2 or Article 200, or for producing or recording pornographic contents with an intention of deceiving such a person, taking advantage of such deceit or taking advantage of the lack of ability to recognise the significance of the situation or with the use of unlawful threat that will lead to meeting with such a person,

shall be subject to the penalty of the deprivation of liberty up to 3 years.

§ 2. Whoever by means of information and communication technology or telecommunication network makes a proposition of a sexual intercourse, submitting to another sexual act or performing such an act or participating in producing or recording pornographic contents and intends to execute the same,

shall be subject to the penalty of fine, restriction of liberty or the deprivation of liberty up to 2 years.

Article 200b

Whoever publicly promotes and approves conduct of paedophile nature,

shall be subject to the penalty of fine, restriction of liberty or the deprivation of liberty up to 2 years.

Chapter XXIX: Offences against the Functioning of the State and Local Government Institutions

Article 228

§ 1. Whoever, in connection with the performance of public functions accepts a material or personal benefit or a promise thereof,

shall be subject to the penalty of deprivation of liberty for a term of between 6 months and 8 years.

§ 2. In the event that the act is of a lesser significance, the perpetrator

shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to 2 years.

§ 3. Whoever, in connection with the performance of public functions accepts a material or personal benefit or a promise thereof in return for the conduct which violates the provisions of law

shall be subject to the penalty of deprivation of liberty for a term of between 1 and 10 years.

§ 4. The penalty specified in § 3 shall be also be imposed on anyone who, in connection with performing public functions, makes the performance of his official duties conditional upon receiving a material or personal benefit or a promise thereof or who demands such a benefit.

§ 5. Whoever, in connection with the performance of public functions accepts a material or personal benefit of considerable value or a promise thereof,

shall be subject to the penalty of deprivation of liberty for a term of between 2 years and 12 years.

§ 6. The penalties specified in § 1-5 shall be also imposed on anyone who, in connection with performing his public functions in a foreign state or in an international organisation, accepts a material or personal benefit or a promise thereof or who demands such a benefit, or on anyone who makes the performance of his official duties conditional upon receiving such a benefit.

Article 229

§ 1. Whoever gives a material or personal benefit or promises to provide it to a person performing public functions in connection with his official capacity ('in connection with performance of this function')

shall be subject to the penalty of deprivation of liberty for a term of between 6 months and 8 years.

§ 2. In the event that the act is of a lesser significance, the perpetrator shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to 2 years

§ 3. If the perpetrator of the act specified in § 1 strives to induce a person performing public functions to violate the law or provides such a person, or promises to provide, with a material or personal benefit for violation of the law, shall be subject to the penalty of deprivation of liberty for a term of between one year and 10 years.

§ 4. Whoever gives a material benefit of considerable value or promises to provide it to a person performing public functions in connection with his official capacity,

shall be subject to the penalty of deprivation of liberty for a term of between 2 and 12 years.

§ 5. Accordingly, subject to the penalties specified in § 1-4 shall be also anyone who gives a material or personal benefit or promises to provide it to a person performing public functions in another country or an international organisation in connection with these functions.

§ 6. The perpetrator of the act specified in § 1-5 shall not be liable to punishment if the material or personal benefit or a promise thereof were accepted by the person performing public functions and the perpetrator had reported this fact to the law-enforcement agency, revealing all essential circumstances of the offence before this authority was notified of the offence.

Article 230

§ 1. Whoever, claiming to have influence on a state or local government, a national or international organisation or a foreign organisational unit governing public funds, or making any person believe or confirming this person to believe that such influence exists, undertakes to intercede in the settling of a matter in return for a material or personal benefit or for a promise thereof,

shall be subject to the penalty of deprivation of liberty for a term of between 6 months to 8 years.

§ 2. In the event that the act is of a lesser significance, the perpetrator

shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to 2 years.

Article 230a

§ 1. Whoever gives a material or personal benefit or promises to provide it in return for mediation in the settling of a matter in a state or local institution, national or international organisation, or a foreign organisational unit governing public funds, consisting in an unlawful exertion of influence on a decision, action or abandonment of action of a person performing public functions, in connection with these functions

shall be subject to the penalty of deprivation of liberty between 6 months and 8 years.

§ 2. In the event that the act is of a lesser significance, the perpetrator

shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to 2 years.

§ 3. The penalty is not imposed on the perpetrator of the act specified in § 1 or § 2 if the material or personal benefit or promise thereof were received and the perpetrator had reported this fact to the law-enforcement authority, revealing all essential circumstances of the offence before this authority was notified of the offence.

Article 231

§ 1. A public official who, exceeding his authority, or not performing his duty, acts to the detriment of a public or individual interest

shall be subject to the penalty of deprivation of liberty for up to 3 years.

§ 2. If the perpetrator commits the act specified in § 1 with the purpose of obtaining a material or personal benefit, he shall be subject to the penalty of deprivation of liberty for a term of between 1 and 10 years.

§ 3. If the perpetrator of the act specified in § 1 acts unintentionally and causes an essential damage shall be subject to a fine, the penalty of restriction of liberty, or deprivation of liberty for up to 2 years.

§ 4. The provision of § 2 shall not be applied when the act has the features of the prohibited act specified in Article 228.

CHAPTER XXXII: Offences against Public Order

Article 252

§ 1. Whoever takes or holds a hostage in order to force a state or self-government body or institution, organisation, natural or legal person or a group of persons to a specific conduct,

shall be subject to the penalty of the deprivation of liberty for a minimum period of 3 years.

§ 2. If the act specified in § 1 was combined with exceptional torment of a hostage the perpetrator shall be subject to the penalty of the deprivation of liberty for a minimum term of 5 or to a penalty of 25 years.

§ 3. Whoever makes preparations for the offence specified in § 1,

shall be subject to the penalty of the deprivation of liberty up to 3 years.

§ 4. Whoever refrained from an intention of extortion and released a hostage shall not be liable to the penalty specified in § 1.

§ 5. The court may apply extraordinary mitigation of a penalty for the perpetrator of the act specified in § 2 if such a perpetrator refrained from extortion and released a hostage and the court shall apply extraordinary mitigation of a penalty if refraining from an intention of extortion and release of a hostage was made at the offender's own free will.

Article 258

§ 1. Whoever takes part in an organised group or a criminal organisation intending to commit a crime or a fiscal crime,

shall be subject to the penalty of the deprivation of liberty for a term of between 3 months and 5 years.

§ 2. In the event that the group or organisation specified in § 1 are of a military character or their purpose is to commit a crime of a terrorist nature, the perpetrator shall be subject to the penalty of the deprivation of liberty for a term of between 6 months and 8 years.

§ 3. Whoever sets up a group or organisation specified in § 1 including those that are of a military character or leads or the same,

shall be subject to the penalty of the deprivation of liberty up to 10 years.

§ 4. Whoever sets up or leads or commands a group or an organisation intending to commit an act of a terrorist nature,

shall be subject to the penalty of the deprivation of liberty for a minimum term of up to 3 years.

Article 263

§ 1. Whoever, without the required licence, manufactures or trades in firearms or ammunition

shall be subject to the penalty of deprivation of liberty for a term of between 1 and 10 years.

§ 2. Whoever, without the required licence, possesses a firearm or ammunition

shall be subject to the penalty of deprivation of liberty for a term of between 6 months and 8 years.

§ 3. Whoever, holding a licence for a firearm or ammunition makes available or passes such a firearm or ammunition to an unauthorised person

shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to 2 years.

§ 4. Whoever unintentionally causes the loss of firearms or ammunition which has been lawfully placed at his disposal

shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to one year.

Article 269

§ 1. Whoever destroys, deletes or alters a record on an electronic information carrier, having a particular significance for national defense, transport safety, operation of the government or other state authority or local government, or interferes with or prevents automatic collection and transmission of such information

shall be subject to the penalty of deprivation of liberty for a term of between 6 months and 8 years.

§ 2. The same penalty shall apply to a person who commits offences mentioned in § 1, by destroying or replacing the information carrier or by destroying or damaging a device serving for automatic processing, gathering or transferring of information data.

Chapter XXXIV: Offences against Forgery of Documents

Article 270

§ 1. Whoever, with the purpose of using it as authentic, forges, or counterfeits or alters a document or uses such a document as authentic

shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for a term of between 3 months to 5 years.

§ 2. The same punishment shall be imposed on anyone, who fills in a form bearing someone else's signature, contrary to the will of the signatory and to his detriment or indeed uses such a document.

Article 271

§ 1. A public official or other person authorised to issue a document, who certifies an untruth therein, with regard to a circumstance having a legal significance

shall be subject to the penalty of deprivation of liberty for a term of between 3 months and 5 years.

§ 2. In the event that the act is of a lesser significance, the perpetrator

shall be subject to a fine or the penalty of restriction of liberty .

§ 3. If the perpetrator commits the act specified in § 1 in order to gain material or personal benefit, he

shall be subject to the penalty of deprivation of liberty for a term of between 6 months and 8 years.

§ 2a. In the event of a lesser significance, the perpetrator shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to 2 years.

§ 3. Whoever makes preparations for the offence specified in § 1, shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to 2 years.

Chapter XXXV: Offences against Property

Article 278

§ 1. Whoever, with the purpose of appropriating, wilfully takes someone else’s movable property

shall be subject to the penalty of deprivation of liberty for a term of between 3 months and 5 years.

§ 2. The same punishment shall be imposed on anyone, who without the permission of the authorised person, acquires someone else's computer software, with the purpose of gaining material benefit.

§ 3. In the event that the act is of a lesser significance, the perpetrator shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to one year.

§ 4. If the theft has been committed to the detriment of a next of kin, the prosecution shall occur upon a motion from the injured person.

§ 5. The provisions of § 1, 3 and 4 shall be applied accordingly to stealing energy or a card enabling the collection of money from a bank automatic cash dispenser [automatic teller machine].

Article 280

§ I. Whoever commits theft with the use of violence against a person or through threatening the immediate use of violence or by causing a person to become unconscious or helpless

shall be subject to the penalty of deprivation of liberty for a term of between 2 and 12 years.

§ 2. If the perpetrator of a robbery uses a firearm, knife, or any other dangerous item or paralysing means, or acts in another manner immediately threatening life or acts in co-operation with another person using such a firearm, item or means or manner shall be subject to the penalty of deprivation of liberty for a minimum term of 3 years.

Article 282

Whoever, with the purpose of gaining a material benefit, by using violence or threatening the life or health of a person, or threatening a violent attack against property, causes another person to dispose his own property or property of other persons, or causes a person to cease operating their business

shall be subject to the penalty of deprivation of liberty for a term of between 1 and 10 years.

Article 284

§ 1. Whoever appropriates someone else's movable property or property rights

shall be subject to the penalty of deprivation of liberty for up to 3 years.

§ 2. Whoever appropriates a movable property entrusted to him

shall be subject to the penalty of deprivation of liberty for a term of between 3 months to 5 years.

§ 3. In the event that the act is of a lesser significance, or appropriation of an item found, the perpetrator

shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to one year.

§ 4. If the appropriation has been committed to the detriment of a next of kin, the prosecution shall occur on a motion of the injured person.

Article 286

§ 1. Whoever, with the purpose of gaining a material benefit, causes another person to disadvantageously dispose of his own or someone else's property by misleading him, or by taking advantage of a mistake or inability to adequately understand the action undertaken

shall be subject to the penalty of deprivation of liberty for a term of between 6 months and 8 years.

§ 2. The same punishment shall be imposed on anyone, who demands a material benefit in return for an unlawfully acquired item.

§ 3. In the event that the act is of a lesser significance, the perpetrator shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to 2 years.

§ 4. If the act specified in § 1-3 has been committed to the detriment of a next of kin, the prosecution shall occur on a motion of the injured person.

Article 287

§ 1. Whoever, for deriving material benefit or causing damage to another person, without being authorized to do so, influences automatic processing, storing or conveying information data or alters or enters new record of information data

shall be subject to the penalty of the deprivation of liberty for a term of between 3 months and 5 years.

§ 2. In the event that the act is of a lesser significance, the perpetrator

shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to one year.

§ 3. If the fraud has been committed to the detriment of a next of kin, the prosecution shall occur on a motion of the injured person.

Article 288

§ 1. Whoever destroys, damages or renders unfit for use an item belonging to someone else

shall be subject to the penalty of deprivation of liberty for a term of between 3 months and 5 years.

§ 2. In the event that the act is of a lesser significance, the perpetrator

shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to one year.

§ 3. The penalty specified in § 1 shall be also be imposed on anyone who cuts or damages an undersea cable, or infringes the regulations binding on the laying or repair of such a cable.

§ 4. The prosecution of the offence specified in § 1 or 2 shall occur on a motion of the injured person.

Article 291

§ 1. Whoever acquires property obtained by means of a prohibited act, or assists in its disposition, or receives such property or assists in the concealment thereof

shall be subject to the penalty of deprivation of liberty for a term of between 3 months and 5 years.

§ 2. In the event that the act is of a lesser significance, the perpetrator shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to one year.

Article 292

§ 1. Whoever acquires or assists in the disposition of property which he should and could assume, on the basis of the attendant circumstances, to be obtained by means of a prohibited act, or receives such property or assists in the concealment thereof

shall be subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to 2 years.

§ 2. If the property referred to in § 1 is of considerable value, the perpetrator shall be subject to the penalty of deprivation of liberty for a term of between 3 months and 5 years.

Chapter XXXVI: Offences against Business Transactions

Article 296

§ 1. Whoever, while under an obligation resulting from provisions of law, a decision of a competent authority or a contract to manage the property or business of a natural or legal person, or an organizational unit which is not a legal person, by exceeding powers granted to him or by failing to perform his duties, causes it to suffer considerable material damage,

shall be subject to the penalty of deprivation of liberty for a term of between 3 months and 5 years.

§ 2. If the perpetrator of the offence specified in § 1 acts in order to gain a material benefit he

shall be subject to the penalty of deprivation of liberty for a term of between 6 months and 8 years.

§ 3. If the perpetrator of the offence specified in § 1 or 2 causes significant material damage of great extent he

shall be subject to the penalty of deprivation of liberty for a term of between 1 and 10 years.

§ 4. If the perpetrator of the offence specified in § 1 or 3 acts unintentionally he

shall be subject to the penalty of deprivation of liberty for up to 3 years.

§ 5. Whoever had voluntarily compensated full damage caused, prior to instituting criminal proceedings, shall not be liable to punishment.

Article 297

§ 1. Whoever, for the purpose of acquiring for himself or for another person from a bank or organisational unit carrying out business activity of a similar nature under the law or from a body or institution holding public funds – credit, loan, surety, guarantee, letter of credit, subsidy, subvention, confirmation by the bank liability under the surety or guarantee or a similar pecuniary benefit for a specific business purpose, electronic payment instrument, or a public order, submits a counterfeit or altered document that certifies untruth or is unreliable or unreliable written statement concerning the circumstances of significant importance to gain the afore-mentioned financial support, payment instrument or order,

shall be subject to the penalty of the deprivation of liberty for a term of between 3 months and 5 years.

§ 2. The same punishment shall be imposed on a person who contrary to a duty resting with him shall fail to notify a proper body about emerging a situation that may affect on withholding or limiting provided financial support specified in § 1 or public order or a possibility of further use of electronic payment instrument.

§ 3. A person who, at his own will, prior to instigation of penal proceedings, prevented the use of financial support or payment instrument specified in § 1, renounced the subsidy or public order or satisfied the claims of an injured shall not be liable to a penalty.

Article 298

§ 1. Whoever, in order to obtain compensation under an insurance contract, causes an event which provides grounds for a compensation payment

shall be subject to the penalty of deprivation of liberty for a term of between 3 months and 5 years.

§ 2. Who had voluntarily prevented the payment of compensation, prior to instituting criminal proceedings, shall not be liable to punishment.

Chapter XXXVII: Offences against Money Laundering

Article 299

§ 1. Whoever accepts, transfers or takes abroad, helps to transfer the ownership or possessions of the means of payment, securities, foreign currency, property rights or other movable or immovable property derived from the benefits relating to the commission of a prohibited act or undertakes other actions that may obstruct or considerably hinder the assertion of criminal origin or place of depositing or detection or seizure or adjudication of the forfeiture,

shall be subject to the penalty of the deprivation of liberty for a term of between 6 months and 8 years.

§ 2. The penalty specified in § 1 shall be imposed on a person who being an employee or acting on behalf of or in favour of a bank or a financial or credit institution or any other subject with which under the provisions of law rests a duty of recording transactions and persons executing transactions, accepts, contrary to the regulations, means of payment, financial instruments, securities, foreign currency, makes transfer of the same or conversion or accepts hereof in other circumstances arousing justified suspicion that such items are an

object of the act specified in § 1 or if such person provides other services that are to conceal criminal origin of the same or a service protecting such items from seizure.

§ 3. (repealed).

§ 4. (repealed).

§ 5. If the perpetrator commits the act specified in § 1 or 2 acting in co-operation with other persons, he shall be subject to the penalty of deprivation of liberty for a term of between 1 and 10 years.

§ 6. The punishment specified in § 5 shall be imposed on a perpetrator who, by committing the act specified in § 1 or 2, gains considerable material benefit.

§ 7. In the event of conviction for the offence specified in § 1 or 2, the court shall decide on the forfeiture of items derived either directly or indirectly from the offence, and also benefits derived form the offence or their pecuniary equivalent even though they are not the property of the perpetrator. Forfeiture shall not be applied to the benefit as a whole or its part if the item, the benefit or its pecuniary equivalent is subject to return to the injured person or another entity.

§ 8. Whoever voluntarily disclosed before a law enforcement agency, information about persons taking part in the perpetration of an offence or about the circumstances of an offence: if it prevented the perpetration of another offence, he shall not be liable to the penalty for the offence specified in § 1 and 2; if the perpetrator undertook efforts leading to the disclosure of this information and circumstances, the court may apply extraordinary mitigation of punishment.

Article 300

§ 1. Whoever, in case of threatened insolvency or bankruptcy, prevents or reduces the satisfaction of his creditor through removing, concealing, selling, donating, destroying or by actually or purportedly encumbering his assets

shall be subject to the penalty of deprivation of liberty for up to 3 years.

§ 2. Whoever, in order to prevent the execution of a ruling by a court or other public authority, prevents or fails to fully compensate his creditor through removing, concealing, selling, donating, destroying or by actually or purportedly encumbering his assets forfeited or under threat of forfeiture

shall be subject to the penalty of deprivation of liberty for a term of between 3 months and 5 years.

§ 3. If the act specified in § 1 caused damage to many creditors, the perpetrator shall be subject to the penalty of deprivation of liberty for a term of between 6 months and 8 years.

§ 4. If the injured party is not the State Treasury, the prosecution of the offence specified in § 1 shall occur on a motion of the injured person.

Chapter XXXVII: Offences against the Circulation of Money and Securities

Article 310

§ 1. Whoever counterfeits or alters Polish or foreign money, other legal tender, or a document which entitles one to obtain a sum of money or contains an obligation to pay capital, interest, share of profits, or verifies a share in a company, or whoever removes a sign of cancellation from money, other legal tender or from such document

shall be subject to the penalty of deprivation of liberty for a minimum term of 5 years or the penalty of deprivation of liberty for 25 years.

§ 2. Whoever releases into circulation money or other legal tender or document as specified in § 1 or for such purpose receives, stores, transports, carries, dispatches it or assists in selling or concealing it

shall be subject to the penalty of deprivation of liberty for a term of between 1 and 10 years.

§ 3. In the event that the act is of a lesser significance, the court may apply an extraordinary mitigation of the penalty.

§ 4. Whoever makes preparations to commit the offence specified in § 1 or 2

shall be subject to the penalty of deprivation of liberty for a term of between 3 months and 5 years.

Excerpts from the Fiscal Penal Code

Chapter 3: Fiscal offences

Article 33 [Forfeiture of material gains]

§ 1. If as a result of a fiscal offence, a perpetrator has obtained some material gain, even indirectly, which is not subject to the forfeiture of items stipulated in Article 29 point 1 and 4, the court may adjudicate the penal measure in the form of the forfeiture of this gain. If it is not possible to impose a penal measure of the forfeiture of material gain, the court shall impose a penal measure of the collection of the pecuniary equivalent thereof.

§ 2. In the case of sentencing for a fiscal offence, as a result of which the perpetrator has obtained a significant material gain, even indirectly, it shall be deemed that the property which the perpetrator has taken in possession or which he has obtained any title to when committing the fiscal offence or after its commission, until the moment of issuing a judgement, even not final and valid, constitutes the material gain obtained from the fiscal offence, unless the perpetrator or other interested party provides contradictory evidence.

§ 3. If the circumstances of the case indicate for a great probability that the perpetrator, referred to in § 2, has transferred the property constituting the material gain resulting from the fiscal offence to a natural person, legal person or organisational entity not having a legal personality, factually or by any legal title, it shall be deemed that the items being intrinsically in the possession of this person or entity and related proprietary rights belong to the perpetrator, unless the interested person or organisational entity provides evidence of their lawful acquisition.

§ 4. The provisions of § 2 and 3 shall be also applied when deciding on a seizure pursuant to the provision stipulated in Article 131 § 4 when securing the forfeiture of material gain and when executing this measure. A person or entity subject to the presumption stipulated in § 3 may take action against the State Treasury for rebuttal of presumption; by the time of the final settlement of the case, the enforcement proceedings shall be suspended.

§ 5. In the case of joint ownership, the forfeiture of a share belonging to the perpetrator or pecuniary equivalent thereof shall be adjudicated.

§ 6. A penal measure of the forfeiture of material gain or collection of its pecuniary equivalent shall not be imposed if the material gain is subject to the return to another entity.

§ 7. The material gain subject to the forfeiture or collection of the pecuniary equivalent thereof shall become the property of the State Treasury when the judgement becomes final and valid, and in the case referred to in § 4 paragraph 2, when the judgement dismissing the action against the State Treasury becomes final and valid.

Chapter 6: Fiscal offences and fiscal misdemeanours against tax obligations and settlements on account of subsidies and subventions

Article 54 [Evading tax obligations]

§ 1. A tax payer who by evading tax obligations does not reveal to a competent authority an object of taxation or tax base or does not file a declaration, which may result in tax reduction, shall be subject to the penalty of fine up to 720 daily rates or penalty of deprivation of liberty, or both penalties jointly.

§ 2. If the amount of tax exposed to reduction is of small value, the perpetrator of the prohibited act stipulated in § 1 shall be subject to the penalty of fine up to 720 daily rates.

§ 3. If the amount of tax exposed to reduction does not exceed a statutory threshold, the perpetrator of the prohibited act stipulated in § 1 shall be subject to the penalty of fine for a fiscal misdemeanour.

Article 56 [False tax data]

§ 1. A tax payer who by filing a tax declaration to a tax authority or other competent authority or tax remitter, declares false data or conceals the truth or does not fulfil an obligation to inform about the change of data included therein, which may result in tax reduction, shall be subject to the penalty of fine up to 720 daily rates or penalty of deprivation of liberty, or both penalties jointly.

§ 2. If the amount of tax exposed to reduction is of small value, the perpetrator of the prohibited act stipulated in § 1 shall be subject to the penalty of fine up to 720 daily rates.

§ 3. If the amount of tax exposed to reduction does not exceed a statutory threshold, the perpetrator of the prohibited act stipulated in § 1 shall be subject to the penalty of fine for a fiscal misdemeanour.

§ 4. A penalty referred to in § 3 shall also be imposed on a tax payer who despite the fact of revealing the object of taxation or tax base fails to file a declaration to a tax authority or tax remitter within the deadline.

Article 63 [Trading without excise stamps]

§ 1. Whoever, contrary to the provisions of the act, releases excise goods with regard to which the procedure of excise duty collection suspension has terminated, without their prior marking with excise stamps, shall be subject to the penalty of fine up to 720 daily rates or penalty of deprivation of liberty up to 2 years, or both penalties jointly.

§ 2. The same penalty shall be imposed on a person who, contrary to the provisions of the act, imports excise goods without their prior marking with excise stamps to the territory of the country.

§ 3. The same penalty shall be imposed on a person who by manufacturing outside bonded warehouse excise goods, referred to in Article 47 (1) point 1, 2, 4 or 5 of the Act of 6 December 2008 on Excise Duty, releases excise goods from a finished product warehouse or sells excise goods without their prior marking with excise stamps.

§ 4. The same penalty shall be imposed on a person who takes out goods from a bonded warehouse pursuant to a permit to take out goods as a tax payer of excise goods from somebody else's bonded warehouse, beyond the procedure of excise duty collection suspension, excise goods without their prior marking with excise stamps.

§ 5. The penalty stipulated in § 1 shall also be imposed on a person who commits a prohibited act stipulated in § 1-4 towards excise goods which have been marked in an incorrect way or with incorrect excise stamps, in particular damaged, destroyed, forged, altered or invalid ones.

§ 6. If the due excise duty is of small value, the perpetrator of the prohibited act stipulated in § 1-5 shall be subject to the penalty of fine up to 720 daily rates.

§ 7. If the due excise duty does not exceed the statutory threshold, the perpetrator of the prohibited act stipulated in § 1-5 shall be subject to the penalty of fine for a fiscal misdemeanour.

Chapter 7: Fiscal offences and fiscal misdemeanours against customs obligations and principles of trading in goods and services with foreign countries

Article 86 [Customs smuggling]

§ 1. Whoever, failing to comply with his customs obligations, imports or exports goods without presenting them to a customs authority or without a customs declaration, thus exposing customs duties to reduction, shall be subject to the penalty of fine up to 720 daily rates or penalty of deprivation of liberty, or both penalties jointly.

§ 2. The same penalty shall be imposed on a perpetrator, if customs smuggling refers to goods in trading abroad, covered with non-tariff measures.

§ 3. If the amount of customs duties exposed to reduction or the value of goods in trading abroad, covered by non-tariff measures, is of small value, the perpetrator of the prohibited act referred to in § 1 or 2 shall be subject to the penalty of fine up to 720 daily rates.

§ 4. If the amount of customs duties exposed to reduction or the value of goods in trading abroad, covered by non-tariff measures, does not exceed a statutory threshold, the perpetrator of the prohibited act referred to in § 1 or 2 shall be subject to the penalty of fine for a fiscal misdemeanour.

§ 5. (repealed)

Excerpts from the Code of Criminal Procedure

Chapter 24: Inquiry within the community and investigating the person of the accused
Article 213

§ 1 The following data concerning the accused should be established in the course of the proceedings: identity, age, family and financial status, educational status, profession, employment and his sources of income, as well as information about his criminal record.

§ 2. If the suspect has been previously validly sentenced, to establish whether the offence was committed under the conditions specified in Article 64 of the Penal Code, or a fiscal offence under the conditions specified in Article 37 § 1 subsection 4 of the Treasury Penal Code, a copy or an excerpt from the judgement shall be appended to the files of the case, as well as the information on the serving of the sentence; these documents shall be appended also in cases related to crimes.

Chapter 25: Seizure of objects and searches
Article 217

§ 1. Objects which may serve as evidence, or be subject to seizure in order to secure penalties regarding property, penal measures involving property or claims to redress damage, should be surrendered when so required by the court, the state prosecutor, and in cases not amenable to delay, by the Police or other authorised agency.

§ 2. A person holding the objects subject to surrender shall be called upon to release them voluntarily.

§ 3. In the event of a seizure of objects, provision of Article 228 shall apply accordingly. A record need not be written if the object is appended to the files of the case.

§ 4. If the surrender is demanded by the Police or any other authorised agency acting within its scope of competence, the person surrendering the objects has the right to file a motion without delay for the drawing up and serving him an order of the court or of the state prosecutor authorising the action. The person surrendering the objects shall be instructed about this right. The person shall be served, within 14 days of the seizure of the objects, an order of the court or the state prosecutor authorising the action.

§ 5. In the event of refusal of a voluntary surrender of objects, a seizure may be effected. Provisions of Article 220 § 3 and Article 229 shall apply accordingly.

Article 220

§ 1. A search may be conducted by the state prosecutor, or, with a warrant issued by the court or the state prosecutor, by the Police, and in cases specified in law by another agency.

§ 2. The person on whose premises the search is to be conducted should be presented with a warrant issued by the court or the state prosecutor.

§ 3. In cases not amenable to delay, if the court's or state prosecutor's warrant cannot be issued, the agency conducting a search presents the warrant of the head of its unit or their official ID, and then applies to the court or the state prosecutor for the authorisation of the search. A warrant issued by the court or the state prosecutor authorising the search shall be served upon the person on whose premises the search has been

conducted, within 7 days of the date of the action, upon the demand of the person, filed in the record. The person should be instructed about the right to demand a warrant.

Article 236

Orders regard search, seizure and concerning material evidence and other actions shall be subject to interlocutory appeal by persons whose rights have been violated; interlocutory appeal to an issued order or action performed in the preparatory proceedings shall be examined by the district court where the proceedings are pending.

Chapter 26: Surveillance and recording conversations

Article 237

§ 1. After the proceedings have started, the court, upon a motion from the state prosecutor may order the surveillance and recording of the content of telephone conversations, in order to detect and obtain evidence for the pending proceedings or to prevent a new offence from being committed.

§ 2. In cases not amenable to delay, the surveillance and recording of conversations may be ordered by the state prosecutor who is obligated to seek an approval for the order from the court within 3 days. The court decides on the motion within 5 days, on a session without participation of the parties.

§ 3. The surveillance and recording of the content of telephone conversations is allowed only when proceedings are pending or a justified concern exists, about the possibility of a new offence being committed regarding:

(1) homicide,
(2) being a danger to the public or causing a catastrophe,
(3) trade in humans or white slavery,
(4) the abduction of a person,
(5) the demanding of a ransom,
(6) the hijacking of an aircraft or a vessel,
(7) robbery, robbery with violence, or extortion with violence.
(8) an attempt against the sovereignty or independence of the State,
(9) an attempt against the constitutional order of the State or on its supreme agencies, or against a unit of the Armed Forces of the Republic of Poland,
(10) spying or disclosing a State secret,
(11) amassing weapons, explosives or radioactive materials,
(12) the forging of money, or effecting of transactions involving counterfeit money, including the means or instruments of payment, or transferable documents which entitle one to obtain an amount of money, goods, consignment or a material object, or such documents containing the obligation to pay in capital, interest, a share in profits or that contain a declaration of participation in profit,
(13) producing, processing, effecting transactions, or smuggling narcotic drugs, substitutes thereof, or psychotropic substances,
(14) organised crime group,
(15) property of significant value,

(16) the use of violence or unlawful threats in connection with criminal proceedings,

(17) bribery and influence trading,

(18) pandering or obtaining profits from facilitating and protecting prostitution.

§ 4. Surveillance and recording of the contents of telephone conversations shall be permitted with regard to a suspected person, the accused, and with regard to the injured person or other person whom the accused may contact or who might be connected with the perpetrator or with a threatening offence.

§ 5. Offices, institutions and entities operating in the fields of post and telecommunication activities shall be obligated, to facilitate the execution of an order from the court or state prosecutor, regarding the surveillance of telephone conversations, and to ensure that the conducting of such a surveillance is registered.

§ 6. Only the court and a state prosecutor shall be entitled to play the recordings, and in cases not amenable to delay, the Police with the approval of the court or state prosecutor.

§ 7. Only the court shall have the right to acquaint itself with the register of telephone conversation surveillance, and in the course of proceedings – the state prosecutor.

Article 241

The provisions of this chapter shall apply respectively to surveillance and recording by technical means, of the content of other conversations or information transmissions, including correspondence transmitted by electronic mail.

Chapter 32: Security on property

Article 291

§ 1. In the event of the commission of an offence subject to a fine or forfeiture of material objects, or supplementary payment to the injured or pecuniary consideration for a public purpose, or to imposition of the obligation to redress damage or compensate for the injury sustained, the execution of this decision may be secured ex officio on the property of the accused.

§ 2. If an offence is committed against property, or if it causes damage to property, the claims for the reparation of damages may be secured ex officio on the property of the accused.

Article 292

§ 1. Security shall be obtained as provided for in the Code of Civil Procedure.

§ 2. The securing of the impending penalty of the forfeiture of material objects shall consist in the seizure of movables, liabilities and other property rights, and in the prohibition of selling and encumbering the real estate. This prohibition shall be disclosed in the land and mortgage register or, in its absence, in the set of documents filed. If necessary, the court may provide for the administration of the real estate and/or of the firm owned by the accused.

Article 293

§ 1. The order securing claims shall be issued by the court or, in the course of preparatory proceedings, by the state prosecutor. Such an order shall determine the scope of the security and the manner of securing.

§ 2. The order on security shall be subject to interlocutory appeal. The interlocutory appeal against an order from the state prosecutor is examined by the district court where the proceedings are pending.

Article 294

§ 1. The security shall be cancelled if no valid and final decision is issued imposing: a fine, forfeiture, supplementary payment to the injured, pecuniary consideration for a public purpose or obligation to redress damage or to compensate for wrongdoing, or when the accused is not sentenced to pay the claims for reparation of damage, and where no suit for those claims has been filed within three months from the day on which the decision has become valid and final.

§ 2. If such a suit is brought within the time-limit indicated in § 1 the security remains valid, unless the civil court decides otherwise in civil proceedings.

Article 295

§ 1. In an event that an offence described in Article 291 is committed, the Police may conduct a provisional seizure of the chattels of the suspected person, if there are grounds for concerns that they might be removed.

§ 2. Provisions of Articles 217 through 235 shall be applied accordingly.

§ 3. A provisional seizure cannot be applied to material objects not subject to execution.

§ 4. A provisional seizure shall be cancelled if within seven days of the day on which it was conducted, an order on the securing of claims has not been issued.

Chapter 34: Instituting an investigation

Article 304

§ 1. Whoever learns that an offence prosecuted ex officio has been committed, shall be under a civic duty to inform the state prosecutor or the Police. The provision of Article 191 § 3 shall be applied accordingly.

§ 2. State or local government institutions which in connection with their activities have been informed of an offence prosecuted ex officio, shall be obligated to immediately inform the state prosecutor or the Police thereof. In addition, they are obligated to take steps not amenable to delay, until the arrival of the officials of an agency authorised to prosecute such offences, or until that agency issues a suitable ruling in order to prevent the effacing of traces and removal of evidence of the offence.

§ 3. The Police shall immediately refer a notice of an offence for which conducting an investigation by the state prosecutor is compulsory, or their own information indicating that such an offence has been committed, to the state prosecutor, together with any materials collected.

Article 307

§ 1. If necessary, it may be demanded that the data contained in the notice of the offence committed shall be completed within a specified time-limit, or a verification of the facts in the matter may be conducted. In that case the order instituting the investigation, or refusing the institution should be issued within thirty days of the day on which the notice was received.

§ 2. In the verifying proceedings no evidence from an expert opinion or actions requiring records are undertaken, except for taking an oral notice of the offence or a motion for prosecution and the action specified in § 3.

§ 3. The data contained in the notice of offence may also be completed by examining the notifying person in the capacity of a witness.

§ 4. (abrogated).

§ 5. Provision of § 2 shall apply accordingly, in the event that a prosecution agency, prior to the issuance of the order to institute investigation, undertakes the verification of their own information leading them to suppose that an offence has been committed.

Chapter 39: The indictment

Article 335

§ 1. The state prosecutor may include in the indictment a motion to issue judgement, imposing a penalty of a penal measure with consent of the accused for a misdemeanour subject to a penalty not exceeding 10 years deprivation of liberty, without conducting a trial if circumstances surrounding the commission of the misdemeanour do not raise doubts, and the attitude of the accused indicates that the objectives of the proceedings will be achieved.

§ 2. If conditions for filing the motion referred to in § 1 occur, and in light of the evidence collected the explanation of the accused does not raise any doubts, then conducting any other evidentiary actions in preparatory proceedings may be abandoned; however these evidentiary actions for which there is a danger that taking them at the hearing would be impossible shall be conducted.

§ 3. The statement of reasons for the indictment may be limited to indication of circumstances referred to in § 1.

Chapter 62: Judicial assistance and service of documents in criminal cases

Article 585

The actions necessary in criminal proceedings may be conducted by way of judicial assistance, particularly the following:

(1) service of documents on persons staying abroad or on agencies having their principal offices abroad,

(2) taking depositions of persons in their capacities as accused persons, witnesses, or experts,

(3) inspection and searches of dwellings and other places and persons, confiscation of material objects and their delivery abroad,

(4) summoning of persons staying abroad to make a personal voluntary appearance before the court or state prosecutor, in order to be examined as a

witness or to be submitted to confrontation, and the bringing of persons under detention, for the same purposes, and

(5) giving access to records and documents, and information on the record of convictions of the accused.

(6) advising on the law.

Article 586

§ 1. The request to have a document served upon a person who is a Polish national and is staying abroad, or to have such a person examined as an accused, witness or expert, shall be addressed by the court or state prosecutor to a Polish diplomatic mission or consular office.

§ 2. If this action cannot be performed as provided for in § 1, such a request may be addressed to a court, prosecutors office or other appropriate agency of the foreign state. If this request is for a search, for confiscation and delivery of a material object, the request should contain a duplicate copy of the order issued by the court or state prosecutor concerning the performance of this action in the given case.

Article 587

The official records of inspections, examinations of persons as accused persons, witnesses or experts, or records of other evidentiary actions prepared upon a request from a Polish court or state prosecutor, by the courts or state prosecutors of foreign states or by agencies performing under their supervision, may be read aloud at the hearing according to the principles prescribed in Articles 389, 391 and 393. This may be done provided that the manner of performing these actions, does not conflict with the principles of the legal order in the Republic of Poland.

Article 588

§ 1. Courts and state prosecutors offices shall give judicial assistance when requested by letters rogatory, issued by the courts and the state prosecutors' offices of foreign states.

§ 2. The court and the state prosecutors' office shall refuse to give judicial assistance and convey their refusal to the appropriate agencies of the foreign state in question, if the requested action is in conflict with the legal order of the Republic of Poland or constitutes an infringement of its sovereignty.

§ 3. The court and the state prosecutor may refuse to give judicial assistance if:

(1) the performance of the requested action lies beyond the scope of activity of the court or state prosecutor under Polish law,

(2) the foreign state in which the letters rogatory have originated, does not guarantee reciprocity in such matters, or

(3) the request is concerned with an act which is not an offence under Polish law.

§ 4. Polish law shall be applied to the procedural actions performed pursuant to a request from a foreign court or state prosecutor. However, if these agencies require special

proceedings or some special form of assistance, their wishes should be honoured, unless this is in conflict with the principles of the legal order of the Republic of Poland.

§ 5. The fees for the judicial assistance shall be established pursuant to Articles 616 through 619.

Article 589

§ 1. A witness or expert who is not a Polish national and who, when summoned from abroad, appears voluntarily before the court, cannot be prosecuted or arrested, or put under preventive detention either by reason of an offence relevant to the criminal proceedings, or of any other offence committed before he crossed the Polish border. The penalty imposed for such offence may not be executed with respect to him.

§ 2. Such a witness or expert shall forfeit the protection provided by § 1, if he fails to leave the territory of the Republic of Poland, although being able to do so within seven days from the day on which the court announces to him that his presence is no longer necessary.

§ 3. Witnesses or experts summoned from abroad shall be entitled to have the costs of their fare and stay reimbursed to them, and shall be compensated for lost wages; in addition, an expert shall be entitled to a fee for the opinion he has issued.

§ 4. The summons served on a witness or expert permanently residing abroad shall include a notice of the contents of § 1 through 3, and it shall not contain a warning on measures of coercion in the event of a failure to appear.

Article 589a

§ 1. With respect to a person deprived of liberty within the territory of a foreign state, extradited temporarily in order to testify as witness or to conduct other procedural action with his participation before a Polish court or state prosecutor, the circuit court for the place of the performance of the action shall order placing the extradited person in a Polish penal establishment or detention facility for the period of his stay within the territory of the Republic of Poland, but not exceeding the term of deprivation of liberty specified in the state which extradited the person.

§ 2. The order of the court shall not be subject to interlocutory appeal.

Article 589b

§ 1. Judicial assistance in the preparatory proceedings between the Polish agencies eligible to carry out such proceedings and the competent agencies of a European Union Member State or another state, if so provided by an international agreement the Republic of Poland is a party to, or under reciprocity, may also consist in performance of investigative actions carried within a joint investigative team, hereinafter referred as the "team".

§ 2. The team shall be appointed, by way of agreement, by the Attorney General and a competent agency of the state referred to in § 1, hereinafter referred to as the "co-operating state", for the purposes of specific preparatory proceedings, for a prescribed period of time.

§ 3. The agreement on the team appointment shall specify:

1) the subject, purpose, place, and period of co-operation,

2) the team composition, with appointment of the leader,

3) assignments of individual team members.

§ 4. The agreement on the team appointment may stipulate a possibility of allowing, under certain circumstances, a representative of an international institution established to combat crime to be admitted to works performed in the team.

§ 5. A period of co-operation under team indicated in the agreement on the team appointment may be extended for a further prescribed period, necessary to achieve the goal of such co-operation; extension shall require consent of all parties to the agreement.

Article 589c

§ 1. The team, co-operation within which is carried in territory of the Republic of Poland, hereinafter referred to as the "Polish team", may be established, in particular if:

1) in the course of the preparatory proceedings conducted in the territory of the Republic of Poland into the case of an offence qualified as terrorism, human trafficking, sale of intoxicants, psychotropic substances or their precursors, or other serious crime, it has been disclosed that the perpetrator acted or consequences of his act have occurred in the territory of another state and there is a need to perform investigative actions in the territory of such state or with the participation of its agency,

2) the preparatory proceedings carried in the territory of the Republic of Poland is subject- or object-related to the preparatory proceedings into a crime mentioned in subsection 1 carried in the territory of another state and there is a need to perform the majority of investigative actions in both proceedings in the territory of the Republic of Poland.

§ 2. A polish state prosecutor shall head the work of the Polish team.

§ 3. The composition of the Polish team shall include other Polish prosecutors and representatives of other agencies authorised to conduct investigation and official from competent authorities of the co-operating state, hereinafter referred to as "delegated officials".

§ 4. Actions in the preparatory proceedings performed by the Polish team shall be governed by the provisions of domestic law, subject to § 5-8 and Article 589e.

§ 5. Delegated officials may be present in all procedural actions carried by the Polish team, unless in a specific case, justified by the need of protecting an important interest of the Republic of Poland or rights of an individual, a person heading the team orders otherwise.

§ 6. Upon consent of the parties to the agreement on the appointment of the Polish team, a person heading such team may assign a delegated official performance of a specific investigative action, with the exclusion of issuance of orders provided for in this Code. In such event, a Polish team member shall participate in such action and prepare a report from it.

§ 7. If there is a need to perform an investigative action in the territory of a co-operating state, an official delegated by such state shall submit a motion for judicial assistance to a relevant institution or agency. The provision of Article 587 shall be applied accordingly to reports prepared in the performance of such motion.

§ 8. Within the limits set by the agreement on the appointment of the Polish team, the representative of the international institution who is referred to in Article 589b § 4 shall have the rights specified in § 5.

Article 589d

§ 1. The state prosecutor or a representative of another agency authorised to conduct investigation may be delegated to a team in the territory of another co-operating state in cases provided for by regulations of the state in the territory of which the team co-operation takes place. A decision on such delegation shall be taken by the Attorney General or another competent agency, respectively.

§ 2. A team member that is referred to in § 1, who is a Polish state prosecutor shall have the rights of a prosecutor of a foreign state specified in Article 588 § 1. The provision of Article 613 § 1 shall not be applied.

§ 3. Institutions and agencies of the Republic of Poland, other than the state prosecutor that is referred to in § 2, shall provide indispensable assistance to the Polish team member that is referred to in § 1, within the limits and in compliance with the regulations of domestic law.

Article 589e

§ 1. Information obtained by a team member further to the participation in the team work, not available otherwise to the state that has delegated him, may used by a relevant agency of such state, also for the purpose of:

1) conducting criminal proceedings on its own - upon consent of the co-operating state whose institution or agency have provided information,

2) preventing direct, serious threat to public security,

3) other than mentioned in subsection 1 and 2, if so provides the agreement on the team appointment.

§ 2. The consent referred to in § 1 subsection 1 may revoked only when the use of information could threaten the interest of the preparatory proceedings carried in the co-operating state whose institution or agency have provided information, and in the event whereby the state could refuse mutual assistance.

Article 589f

§ 1. A state that has delegated a team member shall be held liable for the damage inflicted by a team member further to the performance of actions, pursuant to the terms specified in the regulations of the stated in the territory of which the team has co-operated.

§ 2. If damage inflicted to other person is a consequence of action or omission of a team member who has been delegated by another co-operating state, the amount of money being an equivalent of damage shall be temporarily disbursed to the wronged person by a relevant agency of the state in the territory of which the team has co-operated.

§ 3. In the event specified in § 2 the amount of money that has been paid out shall be reimbursed to the agency that has temporarily paid such amount upon its request.

Chapter 62a: Request to a European Union Member State to execute an order on retention of evidence or to secure the property

Article 589g

§ 1. In the event of establishing that items, correspondence, parcels, lists of telephone calls or other transmissions of information or data stored in an information technology system or on a data carrier, including correspondence sent by electronic mail, or property that is subject to seizure to secure execution of an order on forfeiture that might be evidence in the case are located in the territory of another European Union member state, the court competent to hear the case or the state prosecutor may request execution of an order on their retention or securing directly to a competent judicial authority of such state.

§ 2. By transmitting an order on the retention of evidence for execution, the competent court or state prosecutor shall at the same time request the competent judicial authority of the order executing state with a motion to release such evidence.

§ 3. Immediately after an order on forfeiture of the secured property referred to in § 1 has become valid and final, the competent court shall request the competent judicial authority of the order executing state with a motion to execute such forfeiture.

§ 4. The request to release the evidence and execution of forfeiture that are referred to in § 2 and 3, respectively, shall be carried pursuant to the regulations in Chapters 62 and 66 and international agreements relating to judicial assistance in criminal cases that the Republic of Poland is bound by.

§ 5. The order referred to in § 1 shall be appended with a certificate confirming all material information that shall facilitate its proper execution.

§ 6. Transmitted documents shall be translated into an official language of the order executing state or into any other language that has been indicated by such state.

§ 7. Transmission of the order or certificate referred to in § 5 may also be effected with the use of tools used for automatic data transmission, in a manner that allows authentication of such documents.

§ 8. In the event of difficulties in determining the competent agency of the order executing state, the competent court or the state prosecutor may also direct a request to competent organisational units of the European Judicial Network.

§ 9. The Minister of Justice shall set forth, by ordinance, a specimen of the certificate referred to in § 5, having regard to the necessity of disclosing all the necessary information to the order executing state, including information on the time-limit by which such retention of the evidence or security of the property is to continue.

Article 589h

Released evidence shall be returned to the order executing state immediately after its use, if its return at the delivery has been warranted or when it is subject to return to the injured person or another eligible entity staying in the territory of such state.

Article 589i

In the event the order on retention of evidence or securing the property has been reversed, the competent court or the state prosecutor shall inform the competent agency of the European Union Member State about its contents without delay.

Article 589j

§ 1. An order referred to in Article 589g § 1 from a state prosecutor shall be subject to interlocutory appeal to a regional court where the proceedings are pending. The time-limit for submission of the interlocutory appeal shall run from the order delivery date.

§ 2. The provision of Article 589g § 6 shall be applied accordingly.

Article 589k

§ 1. If, according to law of the state in which the order is to be carried, this state is held liable for the damage caused in connection with execution of the order on retention of evidence or to secure the property, issued by a Polish court or state prosecutor, on a motion of the competent agency of such state the State Treasury shall reimburse the amount of money being an equivalent of the compensation that has been paid.

§ 2. The provision of § 1 shall not be applied, if the damage is the only consequence of action or omission by an agency of the order executing state in which the order is to be carried.

Chapter 62b: Request to a European Union Member State to execute a decision on retention of evidence or to secure the property

Article 589l

§ 1. A regional court having competent jurisdiction or state prosecutor shall immediately carry an order issued by a competent judicial authority of another European Union Member State on retention of items, correspondence, parcels, lists of telephone calls or other transmissions of information or data stored in an information technology system or on a data carrier, including correspondence sent by electronic mail, or an order on seizure of property to secure execution of an order on forfeiture that might be evidence in the case, if such items, correspondence, parcels, lists, data, or property are located or stored in the territory of the Republic of Poland.

§ 2. If the court or the state prosecutor to whom the decision has been directed is not competent for initiating the proceedings, it shall transmit it to the competent agency and notify about it the competent judicial authority of a European Union Member State that has issued an order.

§ 3. Regulations of Polish law shall be applied while executing decisions referred to in § 1, unless the provisions hereof provide otherwise.

Article 589m

§ 1. Execution of a decision on retention of evidence may be refused referred to in Article 589l § 1, if:

1) an act further to which the decision has been issued is not an offence under Polish law, unless, under law of the decision issuing state, it is an offence enumerated in Article 607w subsections 1-33 subject to the penalty of deprivation of liberty of a minimum 3 years at least, or another measure involving deprivation of liberty of the similar sentence at least,

2) evidence the decision concerns may not be seize due to factual reasons, in particular, due to their loss, destruction, or impossibility to recover,

3) the decision on retention of evidence has not been appended with the certificate containing all the material information allowing its proper execution, or the certificate is incomplete or evidently contrary to the contents of the decision,

4) from the contents of the certificate referred to in sub-section 3 it is obviously seen that the decision transmitted for execution concerns the same act of the same person in case of which the criminal proceedings have been legally completed,

5) execution of the decision is not possible due to refusal to surrender correspondence and documents in accordance with Article 582 § 2.

§ 2. Execution of the decision to secure the property referred to in Article 589l § 1 may be refused:

1) if, under Polish law, in the case of an offence, further to which such decision has been issued, securing of the execution of forfeiture would be inadmissible, unless, under law of the decision issuing state, it is an offence enumerated in Article 607w subsection 1-33 subject to the penalty of deprivation of liberty of a miniumum 3 years at least, or another measure involving deprivation of liberty of the similar sentence at least,

2) in cases stipulated in § 1 subsections 2 through 4.

§ 3. The provisions of § 1 subsection 1 and § 2 subsection 1 shall not be applied, if the act is not an offence due to lack of or different regulations under Polish law governing fees, taxes, customs duties, or rules applicable to foreign exchange.

§ 4. In case specified in § 1 subsection 2, before issuing an order on execution of the decision on retention of evidence or to secure the property, the competent court or state prosecutor shall consult with the agency that has issued it to obtain all the material information allowing recovery of such evidence or property. If the obtained information has not contributed to the recovery of such evidence or property, the court or state prosecutor shall immediately inform a relevant judicial authority of the decision issuing state about impossibility of executing the decision.

§ 5. In case referred to in § 1 subsection 3, the competent court or state prosecutor may designate a time-limit for the agency that has issued the decision for transmitting the certificate specified in § 1 subsection 3, for its supplement or correction.

§ 6. In the event of failure to comply with the time-limit referred to in § 5, the decision on execution of the decision shall be issued on the basis of information that has been transmitted before.

Article 589n

§ 1. The competent court or state prosecutor shall issue an order on execution of the decision on retention of evidence or to secure the property referred to in Article 589l § 1 without delay, if possible, within 24 hours as from receiving the decision.

§ 2. The order referred to in § 1 shall be delivered together with the instructions on rights under regulations of the decision issuing state referred to in Article 589l § 1.

§ 3. Persons whose rights have been violated shall be entitled to an interlocutory appeal against the order referred to in § 1. Such persons shall also be entitled to an interlocutory appeal against action relating to retention of evidence or securing the property, which does not violate rights of the plaintiff arising under regulations of the decision issuing state. In the interlocutory appeal against the action the plaintiff may demand examination of its correctness only.

§ 4. A relevant judicial authority of the decision issuing state shall be immediately informed about submission of the interlocutory appeal, as well as the determination made as result of its hearing.

§ 5. The provision of Article 589g § 6 shall be applied accordingly.

Article 589o

By issuing an order on execution of the decision to retain evidence or to secure the property, the competent court or state prosecutor may, at the same time, suspend its execution, if:

1) execution of the decision would obstruct other pending criminal proceedings - for the period necessary to secure the proper course of such proceedings,

2) evidence or property that the decision concerns have been retained or seized before for the purposes of another pending criminal proceedings - until their release from retention or seizure.

Article 589p. § 1. The competent judicial authority of the decision issuing state shall be immediately notify about the contents of the order on execution of the decision on retention of evidence or securing the property, if possible within 24 hours from receiving the decision. Such notification may also be transmitted with the use of equipment used for automatic data transmission, in a manner that allows authentication of such documents.

§ 2. In cases referred to in Article 589o, reasons for suspension of the execution of the decision shall also be given, and, if possible, its envisaged period.

§ 3. The provision of § 1 shall be accordingly applied in the event of removal of reasons for suspension of execution of the order referred to in Article 589o. In such event, the relevant judicial authority of the decision issuing state shall be informed about retention or securing evidence or property for the purposes of other proceedings, or undertaken actions aimed at execution of the decision.

Article 589r

§ 1. By executing the decision on retention of evidence or securing the property, wishes of the agency that has issued such decision should be honoured by applying a special way of conduct or special form while executing such action, if that is not contrary to the rules of legal order of the Republic of Poland.

§ 2. A report on the retention of evidence or seizing the property shall be immediately transmitted to the relevant judicial authority of the decision issuing state. The provision of Article 589p § 1 second sentence shall be applied accordingly.

Article 589s

§ 1. Retention of evidence and seizure of property to secure execution of the decision on forfeiture shall continue until determination on the request of the relevant judicial authority of the decision issuing state for release of evidence or execution of the request to execute the valid and final decision on forfeiture, respectively.

§ 2. Having regard to the circumstances of the case, the competent court or state prosecutor, after consultations with the competent judicial authority of the decision issuing state, may, however determine for such body a strict time-limit for delivering the demand specified in § 1, after the expiry of which release from retention or seizure may be effected.

§ 3. Before expiry of the time limit referred to in § 2, the competent court or state prosecutor shall inform the competent judicial authority of the decision issuing state about an intent to release from retention or seizure thus allowing it to present an opinion in writing. If such body does not present arguments sufficiently justifying further retention or seizure, the competent court or state prosecutor shall issue an order on release from retention or seizure. A copy of the order shall be delivered to interested persons.

§ 4. An order on release of retention or seizure shall also be issued when the competent judicial authority of the decision issuing state has notified about its reversal. The provision of § 3 third sentence shall be applied.

Article 589t

§ 1. The request to release the evidence or execution of the motion for execution of forfeiture by the Polish court shall be carried pursuant to the regulations in Chapters 62 and 66 and international agreements relating to judicial assistance in criminal cases that the Republic of Poland is bound by.

§ 2. Execution of the motion referred to in § 1 cannot be refused, however, by referring to circumstances that the act such motion concerns is not an offence under Polish law, if, under law of the decision issuing state, it is an offence enumerated in Article 607w subsection 1-33, subject to the penalty of deprivation of liberty of a minimum 3 years at least, or another measure involving deprivation of liberty of the similar sentence at least.

Article 589u

§ 1. If the State Treasury is held liable for damage inflicted in connection with the execution of the decision on retention of evidence or securing the property issued by a judicial authority of the European Union Member State, the State Treasury shall request the competent agency of such state to reimburse the amount of money being an equivalent of the compensation that has been paid.

§ 2. The provision of § 1 shall not be applied, if the damage is a consequence of action or omission only by a Polish agency.

Laws

Act on Trading in Financial Instruments [2005]

Section I: General provisions

Art. 5

1. Securities which are:

1) offered in a public offering or

2) admitted to trading on a regulated market, or

3) introduced to an multilateral trading facility, or

4) issued by the State Treasury or the National Bank of Poland

– shall exist in uncertificated form as of the date of their registration under the agreement on the registration of the securities in the securities depository (dematerialisation).

2. Securities may also exist in uncertificated form if permitted under separate regulations concerning the issue of such securities.

3. Securities which are:

1) offered in a public offering but are not to be admitted to trading on a regulated market, or

2) introduced only to an multilateral trading facility

– do not have to undergo dematerialisation, mentioned in Art 5.1, if so determined by the issuer. Under such circumstances, Art 5.4 and Art 5.6 shall not apply.

4. An issuer of securities, which are mentioned in Art 5.1, shall conclude with the National Depository for Securities an agreement on the registration of the securities in the depository for securities.

5. Before applying for the admission of financial instruments other than securities to trading on a regulated market, an entity seeking admission of the instruments to trading on a regulated market shall conclude an agreement with the National Depository for Securities on the registration of the securities in a depository for securities.

6. If the system for the registration of securities issued by the State Treasury or securities representing disposable property rights incorporated in such securities is maintained by the National Bank of Poland, the State Treasury, as the issuer, is obligated to conclude an agreement with the National Bank of Poland on the registration of securities in such a system before applying for the admission of securities to trading on a regulated market or for the introduction of securities to an multilateral trading facility.

7. In the case of securities issued outside the Republic of Poland, only the portion of such securities which is to be offered in a public offering, or securities which are to be traded on a regulated market or introduced to an multilateral trading facility in the Republic of Poland, shall be subject to registration.

8. The conclusion of the agreement on the registration of rights to shares and on the registration of shares in a depository for securities with a company other than a public company shall require an authorisation in the form of a resolution of the general shareholders meeting of the company, and if the issuer has its registered office outside the territory of the Republic of Poland - in the form of a resolution adopted by the appropriate decision-making body of the issuer. An authorization to conclude the agreement on the registration of shares in a depository for securities is synonymous with an authorisation to conclude an agreement on registering, in a depository for securities, rights to shares, which confer the right to receive those shares.

9. The agreement on the registration of shares in a depository for securities also constitutes the basis for the registration of subscription rights attached to these shares in a depository of securities.

10. In the case of delegating the right to perform the activities related to the tasks specified in Art 48.1.1 by the National Depository for Securities to a subsidiary of the National Depository for Securities, the agreement on the registration of securities and other financial instruments in a depository for securities shall be concluded with this subsidiary.

Art. 7

1. The rights attached to dematerialised securities shall accrue as of the moment such securities are first registered in a securities account and shall inure to the benefit of the account holder.

2. Under an agreement on the transfer of dematerialised securities, such securities shall be transferred upon making a relevant entry in the securities account. In the event the record date as at which the holders of rights to benefits from dematerialised securities are determined falls on or after the date on which the transaction should be cleared at a depository for securities, and the securities continue to be registered in the transferor's account, the benefits shall inure to the benefit of the transferee and shall accrue upon registering securities in the securities account of the transferee.

3. If dematerialised securities are acquired by virtue of a legal event which results in the transfer of such securities by operation of this Act, such securities shall be registered in the transferee's account at the request of the transferee.

4. The registration of securities in a securities account under the agreement referred to in Art 7.2 shall be effected after the registration of the transfer of the securities between the relevant deposit accounts, referred to in Art 57.1.1.

5. It is admissible to assume the obligation to dispose of securities by way of a transaction entered into in organised trading, prior to making their entry in the securities account of the transferor, provided that:

1) the securities have already been acquired in a transaction whose clearing is secured by the fund referred to in Art 65, Art 68 or Art 68d, or

2) whose clearing occurs within the same transaction in which the vendor has committed itself, and has become entitled to acquire the same number of the same securities, and the settlement of the purchase is made not later than the settlement ofthe sale, or

3) the securities have already been acquired in a transaction concluded on a foreign regulated market.

5a. Entering into short selling transactions on a regulated market shall be admissible provided that:

1) the vendor or the entity referred to in Art 121.2.2 and an entity carrying out an order have concluded an agreement which:

a) establishes an obligation and sets out rules for the acquisition of the securities necessary for the settlement of transactions, within the period specified by the National Depository for Securities or another entity engaged in the settlement, and the date of the delivery of such

securities made by the vendor or the entity referred to in Art 121.2.2, and

b) authorizes the entity carrying out the order to conclude, on behalf of the seller or the entity referred to in Art 121.2.2, a securities lending or borrowing agreement in case of default by the seller or the entity referred to in Art 121.2.2 on the obligation to timely deliver securities, or

2) the vendor is an entity which is a participant in the National Depository for Securities, or in another entity engaged in the clearing of transactions, responsible for performing duties related to the clearing of the transaction, or

3) the vendor is not a participant in the National Depository for Securities or in another entity engaged in the clearing of transactions and is responsible for implementing the obligations related to the transaction clearing provided that the agreement between the vendor and an entity which is a participant in the National Depository for Securities or in another entity that carries out transactions and is responsible for implementing obligations related to the clearing of the transaction:

a) establishes an obligation to acquire the securities and sets out rules for the acquisition of the securities necessary for carrying out the settlement of the transaction within the period specified by the National Depository for Securities or another entity carrying out the settlement, and the date of the delivery of such securities by the vendor, and

b) entitles the participant to enter into a securities lending or borrowing agreement on behalf of the vendor in the event of default by the vendor on the obligation to timely deliver securities.

5b. The provisions of Art 7.1–5a shall not preclude the right to assume an obligation to dispose of securities outside organised trading prior to their registration in the transferee's securities account.

6. The provisions of Art 7.1–5b shall also apply to securities issued outside the Republic of Poland, offered in a public offering or admitted to trading on a regulated market, or introduced to an multilateral trading facility, upon the registration of the securities in a depository for securities.

Chapter 2: Regulated Market

Art. 22

1. A company operating a stock exchange may issue only registered shares.

2. The shares of a company operating a stock exchange may only be acquired by the State Treasury, investment firms, banks, investment fund companies, insurance undertakings, pension fund companies and the issuers of securities listed on such a stock exchange. The shares of a company operating a stock exchange may be acquired by other domestic and foreign legal persons subject to the Commission's approval.

3. The provisions of Art 22.1–2 shall not apply if:

1) the company operating a stock exchange is a public company;

2) securities are not traded on the stock exchange operated by the company.

4. A company operating a stock exchange, immediately after obtaining authorisation to operate a stock exchange, shall publish the list of the company's shareholders including:

1) name, surname and place of residence

– in the case of natural persons,

2) the name or the company name and registered office

– in the case of legal persons and unincorporated bodies and

3) the number of shares held by each shareholder and the share of the total vote as well as the share in the share capital of a company operating a stock exchange attached to those shares.

5. The obligation referred to in Art 22.4 applies to shareholders holding a number of shares corresponding to at least 5 per cent of the total vote or to at least 5 per cent of the share capital of a company operating a stock exchange

6. If the data included in the list referred to in Art 22.4 are changed, a company operating a stock exchange shall immediately publish the content of these changes.

Art. 54

1. With respect to its performance of the responsibilities referred to in Art 48.1.4–5, the National Depository for Securities may receive from the participants identification details of such participants' customers holding rights attached to specific securities and information on the number of securities held by such customers for the time being, and in connection with the performance of the responsibilities referred to in Art 48.1.7 and Art 48.2.3, the National Depository for Securities may demand that a participant provide it with such details and information.

2. The National Depository for Securities may forward the identification details of the persons holding rights attached to securities and information on the number of securities held by them for the time being to the issuer of securities, an entity carrying out outside the Republic of Poland the tasks related to the centralised registration of securities or to the clearing of transactions in securities, or an entity authorised to keep, outside the Republic of Poland, accounts on which securities are registered, and through which the securities that the information concerns are registered in a depository for securities, provided that such entities may demand the information under the relevant foreign law.

3. In the case referred to in Art 54.2, the National Depository for Securities may demand that a participant forward the identification details of the persons holding rights attached to securities and the information on the number of securities held by them for the time being.

4. The provisions of Art 54.1–3 shall apply accordingly to the company to which the National Depository for Securities has delegated the performance of the activities related to the tasks referred to in Art 48.1.4 or Art 48.1.5 and Art 54.2.3, with regard to the tasks delegated to the company.

Part IV: Participation in Financial Instruments Trading
Chapter 1: Activities of Investment Firms
Art. 82

1. An application for a brokerage licence, subject to Art 111.2 shall contain the following:

1) the personal details of the members of the management board, or partners or general partners in a partnership, the members of the supervisory board and the audit committee, if such a committee is established, and other persons who are responsible for launching investment services by the applicant or will manage such operations, as well as information on their professional qualifications and careers;

2) the list of shareholders holding shares of the applicant, whether directly or indirectly through subsidiaries, specifying the number of shares held by them and the percentage of the total vote conferred by such shares;

3) in the case of shareholders who are natural persons and hold the right to 10 or more per cent of the total vote or 10 or more per cent of the applicant's share capital – personal details of such persons, information on their professional careers or on business activities conducted by them;

4) in the case of shareholders who are legal persons and hold the right to 10 or more per cent of the total vote or 10 or more per cent of the share capital of the joint-stock company which makes the application – information on their business activities, a valid excerpt from the relevant register, and the most recent financial statement together with an auditor's opinion and the audit report, if such an audit is required by the law;

4a) in the case of shareholders who are organisational units without legal personality and who hold the right to 10 or more per cent of the total vote or 10 or more per cent of the share capital of the applicant, the information referred to in Art 82.4, accordingly;

5) information on the entities belonging to the same group as the applicant; the information shall include the company name or the first name and surname, the address of the registered office or the address of residence, the description of business, and, in the case of a legal person being the parent entity of the applicant, if the parent entity is a financial holding company referred to in Art 98a.2.16, the personal particulars of the persons being members of its management or supervisory boards and information on their professional qualifications and careers.

6) information specified in Art 82.1.5 with respect to the shareholders or members of the parent entity of the group which the applicant belongs to;

7) the description of the scope of activities to be performed by the applicant;

8) information on the amount of the initial capital, specifying its source, or information on the insurance agreement entered into, referred to in Art 98.9, including in particular the name of the insurance undertaking and the sum insured;

9) the study of the economic and financial feasibility of conducting investment services for a period of one year from the date of their launch;

10) representations by the persons specified in Art 82.1.1, with the exclusion of partners or general partners in a partnership, to the effect that they have

not been found by a final court judgment guilty of a tax offence, an offence against reliability of documents, property, business transactions and cash and securities transactions, offences specified in Art 305, Art 307 or Art 308 of the Industrial Property Law of June 30th 2000, offences specified in the Commodity Exchange Act of October 26th 2000, the Public Offering Act, or offences specified herein.

11) information on the proposed organisation of the business, with an indication of the addresses of its head office and branches, if any, and on the telecommunications equipment owned and the offices occupied;

11a) in the case of an intention to perform the activities referred to in Art 69.2.8, an indication of the entity or entities that will make, under the agreement with the applicant, the clearing and settlement of transactions concluded in an multilateral trading facility, and the rules of making the clearing and settlement of transactions by the entity or entities;

12) information on the business activities conducted previously by the applicant;

13) information on the parent entities and subsidiaries of the shareholders holding the right to 10 or more per cent of the total vote or 10 or more per cent of the share capital of the applicant, including the company names or the first names and surnames of the shareholders, the addresses of the registered offices or the addresses of residence, and a description of their business activities.

2. The application, subject to Art 111.2a, shall be accompanied by:

1) the articles of association and an excerpt from the register of entrepreneurs or, if the applicant is a foreign entity, from the relevant register;

2) rules specifying how the operations involving the activities referred to in Art 82.1.7 shall be performed, in the case of an intention to provide services to a retail customer;

2a) rules specifying how the operations involving the activities referred to in Art 82.1.7 shall be performed, in the case of an intention to provide services to a professional customer;

3) organisational rules, internal audit rules and the rules for the supervision of the compliance of the operations with the law;

4) rules for the protection of the flow of inside information, information protected by professional secrecy and the internal procedures to counteract the introduction into financial circulation of property values derived from illegal or undisclosed sources;

4a) rules for managing the conflicts of interest;

5) the rules of investing in financial instruments by persons related to the investment firm or for such persons' account;

6) in the case of an applicant who has previously performed business activity, the most recent financial statement together with an auditor’s opinion and an audit report, if such an audit is required by the law;

7) the list of securities brokers or investment advisers employed by the applicant pursuant to Art 83;

8) in the case of applicants taking advantage of the exemption under Art 98.9, a copy of an insurance agreement;

9) representations, subject to criminal liability, made by shareholders who are natural persons and hold the right to 10% or more of the total vote or share capital of the applicant, concerning the source of funds used to pay for the shares of the applicant subscribed for or acquired,

10) a copy of an agreement on participation in the compensation scheme concluded with the National Depository for Securities under the condition of being authorised to conduct investment services.

3. The application referred to in Art 82.1 shall not include the information specified in Art 82.1.5-6 if it relates to:

1) an entity which is an issuer of securities or other financial instruments admitted to trading on a regulated market, an investment firm, a commodity intermediary house, a bank, an insurance undertaking, an investment fund, a pension fund, a foreign fund or a foreign investment fund management company within the meaning of the regulations on investment funds, or another foreign entity regulated by a body with which the Commission has entered into an agreement referred to in Art 20.2 of the Act on Capital Market Supervision or an agreement referred to in the regulations on investment funds;

2) the parent entity or a subsidiary of the undertaking referred to in Art 82.3.1, or

3) a subsidiary of the parent entity of the undertaking referred to in Art 82.3.1.

3a. Persons related to an investment firm, referred to in Art 82.2.5, shall be:

1) a person who is a member of its governing bodies, and, in the case of an investment firm run as a partnership, also the partner or the general partner;

2) a person bound by an employment contract, a mandate contract or another legal relationship of a similar nature with the investment firm;

3) a natural person who is the investment firm's agent;

4) a natural person performing activities delegated to it by the investment firm in accordance with the agreement referred to in Art 81a.1;

5) a person managing the operations:

a) of the investment firm's agent if the investment firm's agent is an organisational unit without legal personality,

b) of an entity performing the activities delegated to it by the investment firm in accordance with the agreement referred to in Art 81a.1 if such an entity is an organisational unit without legal personality;

6) a person being a member of the management body of:

a) the investment firm's agent if the investment firm's agent is a legal person,

b) an entity performing the activities delegated to it by the investment firm in accordance with the agreement referred to in Art 81a.1 if such an entity is a legal person;

7) a person bound by an employment contract, a mandate contract or another legal relationship of a similar nature with;

a) an entity referred to in Art 82.3a.5a or Art 82.3a.6a, provided that the person participates in agency services related to the activities of the investment firm,

b) an entity referred to in Art 82.5b or Art 82.6b, provided that the person participates in the performance of the activities delegated to the entity.

4. To determine the influence of an entity holding, whether directly or indirectly, a number of the applicant's shares representing 10 or more per cent of the total vote on the conduct of investment services, the compliance with the principles of fair trading, or the due protection of the customers' interests, the Commission may demand other information concerning the legal or financial situation of such an entity.

5. The provisions of Art 82.1, Art 82.2.9 and Art 82.4 relating to shares in or shareholders of joint-stock companies shall apply accordingly to shares in or members of limited-liability companies, if the applicant is a limited-liability company. The provisions of Art 82.2.9 relating to the representation on the source of funds used to finance the acquisition of or subscription for shares shall apply accordingly to the representation on the source of funds contributed to a partnership, if the applicant is a registered partnership, a limited-liability partnership or a limited partnership.

Art. 88

At the request of the Commission or its authorised representative, the authorised representatives of an investment firm, or persons who are the members of its governing bodies provided for in its articles of association, or persons having an employment relationship with the investment firm, shall be required to promptly prepare and deliver, at the cost of the investment firm, copies of documents and other information carriers, and to provide written or oral explanations regarding matters within the scope of supervision exercised by the Commission.

Art. 106b

1. An entity submitting the notification referred to in Art 106.1 shall also provide information regarding:

1) the identification of an entity submitting the notification, persons managing its activities and persons designated to be the members of the management board of the intermediary house - provided that the entity submitting the notification has plans to introduce changes in this regard.

2) identification of the intermediary house referred to in Art 106.1;

3) professional, economic or statutory activity of an entity submitting the notification and persons referred to in Art 106b.1.1, concerning, in particular, the subject, scope and location of its activity, its current operations and

education of an entity submitting the notification who is a natural person, as well as persons referred to in Art 106b.1.1;

4) a group of an entity submitting the notification, in particular: its structure, entities, legal and factual capital, financial and personal relationships with other entities;

5) economic and financial situation of an entity submitting the notification;

6) conviction for a crime or a tax offence, conditional discontinuation of proceedings and disciplinary proceedings resulting in punishment as well as other completed, administrative and civil proceedings concerning an entity submitting the notification, or persons referred to in Art 106b.1.1, that may have an impact on the assessment of the entity submitting the notification in a light of the criteria set out in Art 106h.2;

7) pending criminal proceedings for an intentional crime - with the exception of offences that are prosecuted upon private accusation - or proceedings for a tax offence, as well as other pending administrative, disciplinary and civil proceedings that may have an impact on the assessment of an entity submitting the notification in a light of the criteria set out in Art 106h.2 and are conducted against an entity submitting the notification or against persons referred to in Art 106b.1.1, or proceedings related to the activity of this entity or these persons;

8) actions aiming at purchasing or acquiring shares or rights attached to shares in the amount which ensures that the levels set out in Art 106.1 are reached or exceeded, or becoming a parent entity of the intermediary house, and in particular, acquiring the target proportion in the total number of votes at the general meeting of the intermediary house, the rights related to this proportion, method and sources of financing the purchase or acquisition of shares or rights attached to shares, agreements concluded in connection with these activities and acting in agreement with other entities;

9) intentions of an entity submitting the notification with reference to the future activity of the intermediary house, particularly in the scope of marketing, operational, financial plans, as well as organisational and management plans, taking the obligations referred to in Art 106h.3 into account.

2. Information on qualifications and professional career, as well as information in the scope defined in Art 106b.1.6 and Art 106b.1.7 shall not be required in case of an entity submitting the notification and persons managing the operations of this entity, if such entity is a national bank or a credit institution as defined by the Banking Law of August 29th 1997, insurance or reinsurance undertaking authorised to conduct their business activity in a Member State, an intermediary house or a foreign investment firm or an investment fund management company authorised to perform operations in a Member State, provided that such circumstances are provided in the notification.

3. The minister competent for financial institutions shall define, by way of a regulation, documents which must be attached to the notification in order to provide the information set out in Art 106b.1, taking into account the need to ensure the proportionality of the required

information depending on the expected impact of an entity submitting the notification exerted on the society.

Part VI: Access to Information of Special Nature
Chapter 1: Professional Secrecy
Art. 149

Subject to Art 150-153 and Art 20, Art 21, Art 23 and Art 25 of the Act on Capital Market
Supervision, information covered by the professional secrecy obligation which is held by the natural persons enumerated in Art 148.1, shall be revealed exclusively at the demand of:

1) a court or a prosecutor, in connection with pending criminal proceedings or proceedings regarding a tax offence;
2) a court or a prosecutor, in connection with a request for legal assistance made by a foreign country which, on the basis of a ratified international agreement binding on the Republic of Poland, has the right to request to be provided with information covered by the professional secrecy obligation;
3) a court, in connection with pending civil proceedings in a case to which an entity being a party to an agreement or another legal transaction covered by the professional secrecy obligation is a party – as regards information related to such entity;
4) the General Tax Supervision Inspector, in connection with proceedings pending before a tax supervision authority regarding:
    a) a tax offence or a tax misdemeanour against a natural person who is a party to an agreement or another legal transaction covered by the professional secrecy obligation – as regards information concerning such person,
    b) a tax offence committed in the performance of activities related to the activity of a legal person or an organisational unit without legal personality which is a party to an agreement or another legal transaction covered by the professional secrecy obligation - as regards information concerning such legal person or an organisational unit without legal personality;
5) the President of the Supreme Chamber of Control or an inspector authorised by such President – as regards information concerning the entity which is subject to inspection, if such information is necessary to establish the facts in the inspection proceedings, as defined in the Act on the Supreme Chamber of Control of December 23rd 1994 (Journal of Laws of 2007 No. 231, item 1701, as amended19);
6) the qualified auditor of financial statements who audits the financial statements of the entity referred to in Art 148.1.2 on the basis of an agreement - as regards information specified in the accountancy laws;
[7) the state security services and their officers or soldiers holding a written authorisation – as regards information necessary to conduct vetting

proceedings on the basis of the laws on the protection of classified information;]

<7) Internal Security Agency, Military Counter-Intelligence Service, Foreign Intelligence Agency, Military Intelligence Service, Central Anticorruption Bureau, Police, Military Gendarmerie of the Polish Armed Forces, Polish Border Guard, Prison Service and officers or soldiers thereof, furnished with due written authorisation, to the extent necessary to conduct inquiries pursuant to the regulations on the protection of restricted information;> (The new wording of Art 149.7 shall become effective on January 2nd 2011)

8) The police, if it is necessary to effectively prevent crime, detect it, or determine perpetrators and obtain evidence, under the rules and procedures laid down in art 20 of the Police Act of 6 April 1990 (Journal of Laws of 2007 No. 43, item 277, as amended20);

8a) The Central Anti-corruption Bureau, if it is necessary to effectively prevent crime, detect it, or determine perpetrators and obtain evidence, under the rules and procedures laid down in Art 23 of the Act of 9 June 2006 on the Central Anticorruption Bureau (Journal of Laws No. 104, item 708, as amended21);

9) a court bailiff in connection with pending enforcement proceedings or insolvency safeguard proceedings to secure claims against an entity which is a party to an agreement or another legal transaction covered by the professional secrecy obligation – as regards information concerning such entity;

10) an enforcement authority, in connection with the conduct of administrative enforcement proceedings regarding duties of an entity which is a party to an agreement or another legal transaction covered by the professional secrecy obligation – as regards information concerning such entity.

Art. 150

1. The professional secrecy obligation shall not be deemed breached by disclosure of information covered by professional secrecy:

1) directly to the person to which such information relates or to another entity whom such person authorised in writing to receive such information, subject to Art 150.2;

2) in a notification of an offence and any documents submitted in connection with such notification;

3) the General Inspector of Financial Information - to the extent and on the terms specified in the Act of 16 November 2000 on Counteracting Money Laundering and Terrorist Financing (Journal of Laws of 2010 No. 46, item 276 and No. 182, item 1228);

4) to the General Tax Supervision Inspector or persons authorised by the General Tax Supervision Inspector – to the extent such information is necessary for the performance of the Inspector's statutory duties;

5) to the Head of the National Centre for Crime-Related Information – in accordance with the rules specified in other regulations, to the extent such information is necessary for the performance of the Head's statutory duties;
6) to tax authorities – in accordance with the rules specified in other regulations, to the extent such information is necessary for the performance of their statutory duties;
7) by an intermediary house to the bank which is its parent entity within the meaning of Art 4.1.8 of the Banking Law of August 29th 1997 – for the purpose of preparation of consolidated financial statements, and to the Banking Supervision Commission to the extent such information is necessary for the purpose of exercising supervision over such bank;
7a) by the intermediary house to the entity which is subject, in the Republic of Poland or another Member State, to the obligations in the scope of capital adequacy requirements to the extent necessary to perform these duties;
8) by investment firms and custodian banks:

a) in the case referred to in Art 54 and Art 152,

b) to the extent and in accordance with the rules provided for in the Act on the Availability of Business Information of April 9th 2010 (Journal of Laws No. 81, item 530 and No. 182, item 1228);

9) by an intermediary house, a foreign legal person referred to in Art 115.1 or a foreign investment firm:

a) to the ultimate parent entity as defined in Art 4.5 and Art 4.6 of the Act on the Supplementary Supervision,

b) to a coordinator, as defined in Art 3.19 of the Supplementary Supervision Act,

c) to a foreign coordinator, as defined in Art 3.20 of the Supplementary Supervision Act

– in performance of the obligations specified in the Supplementary Supervision Act;
10) by the National Depository for Securities, a company to which the National Depository for Securities has delegated the performance of the activities related to the tasks referred to in Art 48.1.1-6, intermediary houses, banks conducting investment services and custodian banks – to the extent specified in Art 34.4 of the Insurance Activities Act of May 22nd 2003;
11) by the participants of the National Depository for Securities or a company to which the National Depository for Securities has delegated the performance of the activities related to the tasks referred to in Art 48.1.1-6, a public company, in the case referred to in Art 91.11 of the Public Offering Act;
12) between the Commission or a competent authority in another Member State, and:

a) a qualified auditor of financial statements who audits the financial statements of an intermediary house, a bank conducting investment services or a bank keeping securities accounts; or the qualified auditor

of financial statements who audits the financial statements of a foreign investment firm,

b) a judge-commissioner, court-appointed supervisor, receiver, trustee, or liquidator of an intermediary house, a bank conducting investment services or a bank keeping securities accounts; or an authority responsible for conducting bankruptcy or liquidation proceedings of a foreign investment firm,

– if such information is necessary for the performance of supervisory responsibilities by the Commission or the competent authority in another member State, or for an efficient conduct of bankruptcy proceedings, administration of bankruptcy estate or conduct of liquidation, or – with respect to information specified in the accountancy regulations – for the purpose of auditing financial statements of such intermediary houses, banks, or foreign investment firms;

13) to the National Depository for Securities – if such information is necessary for the performance of its statutory duties, particularly those related to the establishment, organisation and management of the compensation scheme;

13a) a company, to which the National Depository for Securities has delegated the performance of the activities related to the tasks referred to in Art 48.1.1-6 or 48.2, if such information is necessary for the performance of these duties;

13b) by the National Depository for Securities, or a company to which the National Depository for Securities delegated the performance of tasks referred to in Art 48.1.4 or Art 48.1.5 or Art 48.2.3, the issuer of securities, the company executing, outside the territory of the Republic of Poland, tasks in the scope of the central registration of securities and settlement of transactions in securities, or an entity entitled to operate, outside the territory of the Republic of Poland, accounts on which the securities are recorded and through which the securities that the information relates to are recorded in the securities depository, in the cases referred to in Art 54.2;

14) by the Commission or its authorised representative:

a) to the public – as regards the contents of the adopted resolutions and decisions, including those concerning individual cases, if the Commission finds the disclosure of such information to be justified by the interest of the securities market, the commodity market or the investment funds market,

b) to the public– in line with the procedure and on the terms specified in Art 25.1 of the Act on Capital Market Supervision,

c) in explanatory proceedings – in the case referred to in Art 38.5 of the Act on Capital Market Supervision,

d) in performance of the agreements referred to in Art 20 and Art 23 of the Act on Capital Market Supervision,

e) in the cases specified in Art 151 and in Art 21.1 of the Act on Capital Market Supervision and in Art 96.11 of the Public Offering Act;

15) by the Commission:

a) (repealed),

b) to the Governor of the National Bank of Poland, if such information is necessary for the performance of statutory duties of the National Bank of Poland with respect to monetary policy and supervision over the payment system;

16) in the cases specified in Art 40, Art 89.4 and Art 161;

17) by an investment firm or a custodian bank in connection with the conclusion or the execution of a contract related to conducting brokerage or custodian activities, provided that the transfer of this information is necessary for the conclusion or performance of the contract.

2. Persons referred to in Art 148.1 shall be obliged to keep confidential the information regarding the provision of information to the police under Art 20.4-10 of the Act on the Police of April 6th 1990, as well as the information regarding the notification referred to in Art 20.13 of the Act on the Police. The confidentiality obligation shall remain effective with respect to the persons to whom such information relates and with respect to third parties, with the exception of Commission's representatives and employees of the office of the Commission to whom such information is conveyed in connection with the performance of the statutory supervisory responsibilities.

PART VIII: Administrative Sanctions for Infringement of Regulations

Art. 167

1. Subject to Art 167.2, the Commission may revoke the brokerage licence or limit its scope if an investment firm:

1) grossly violates the provisions of the law, in particular the regulations issued under Art 94.1.1-2 and 94.1.5;

2) fails to comply with the principles of fair trading;

3) compromises the customer's interest;

4) has discontinued the activities specified in the licence for at least six months;

5) no longer meets the conditions on the basis of which the licence was granted, subject to Art 95.10;

6) has been granted the licence on the basis of misrepresentations or false documents;

2. In the cases referred to in Art 167.1.1-3 or Art 167.1.6, the Commission may also:

1) choose not to apply the sanctions referred to in Art 167.1 but impose a pecuniary penalty of up to PLN 500,000 on the investment firm, or

2) impose one of the sanctions referred to in Art 167.1 and at the same time impose the pecuniary penalty referred to in Art 167.1.

- if justified by the nature of the misconduct by an investment firm.

3. The Commission may also impose the sanctions referred to in Art 167.1 or 167.2 on an investment firm which has commissioned an agent to perform the activities referred to in Art 79.2 if, in connection with its services for the investment firm, the agent violates the provisions of the law or the principles of fair trading or compromises customers' interests.

4. The entity whose brokerage licence has been revoked shall not reapply for such a licence for five years from the date when the decision revoking the licence became final, unless the Commission agrees to shorten this period.

5. If justified by the need to protect the public interest, the Commission may suspend, in whole or in part, the authorisation to conduct investment services for up to one month from the initiation of the proceedings concerning matters referred to in Art 167.1.

5a. If it is necessary to protect the public interest, the Commission may in the decision to revoke the brokerage licence specify the date on which the investment services shall be discontinued

6. (repealed).

7. The relevant decision shall be issued following a hearing.

8. The Commission's resolution shall be published in the Official Journal of the Polish Financial Supervision Authority immediately after its adoption. The Commission may order that the resolution be published in two daily newspapers with nationwide circulation at the cost of the investment firm.

9. The provisions of Art 167.1-3, 167.7 and 167.8 shall apply accordingly if the Commission becomes aware of an infringement of the regulations governing investment services in another Member State by an intermediary house conducting investment services in such a state. In this case, the Commission shall inform the competent authority in the Member State about the sanctions imposed.

PART X: Criminal Provisions

Article 179

Anyone who is bound by the professional secrecy obligation and who discloses or uses information covered by such obligation in securities trading shall be liable to a fine of up to PLN 1,000,000 or a penalty of imprisonment for up to three years, or to both these penalties jointly.

Article 180

Anyone who, in violation of the prohibition referred to in Art 156.2.1, discloses inside information shall be liable to a fine of up to PLN 2,000,000 or a penalty of imprisonment for up to three years, or to both these penalties jointly.

Article 181

1. Anyone who, in violation of the prohibition referred to in Art 156.1, uses inside information shall be liable to a fine of up to PLN 5,000,000 or a penalty of imprisonment for a period from three months to five years, or to both these penalties jointly.

2. If the act referred to in Art 181.1 is perpetrated by a person referred to in Art 156.1.1a, the perpetrator shall be liable to a fine of up to PLN 5,000,000 or a penalty of imprisonment for a period from six months to eight years, or to both these penalties jointly.

Article 183

1. Anyone who engages in the market manipulation referred to in Art 39.2.1-3, 39.2.4a or 39.2.5-7 shall be liable to a fine of up to PLN 5,000,000 or a penalty of imprisonment for a period from three months to five years, or to both these penalties jointly.

2. Anyone who engages in collusion with other persons for the purpose of the market manipulation referred to in Art 39.2.1-3, 39.2.4a or 39.2.5-7 shall be liable to a fine of up to PLN 2,000,000.

Act on the Police [1990, as amended in 2002]

Chapter 3: Scope of the Police powers
Article 15 [Powers]

1. The police officers performing the activities referred to in Article 14, shall have the right to:

1) check the ID cards of individuals in order to establish their identity;

2) detain people according to the procedure and in cases laid down in the Code of Criminal Procedure and other regulations;

2a) detain people deprived of liberty who left the custody or prison pursuant to a consent of a competent authority, and failed to return within the determined deadline;

3) detain persons evidently posing direct threat to human life, health or freedom, as well as to property;

3a) collect swabs from cheek mucous membrane of persons:

a) under the procedure and in cases determined in the provisions of the Code of Criminal Procedure,

b) for the purpose of identification of persons of undetermined identity and persons attempting to conceal their identity, if identity determination is impossible otherwise;

3b) collect biological material from human body of undetermined identity;

4) search persons and premises according to the procedure and in cases laid down in the Code of Criminal Procedure and other regulations;

4a) observe and register with the use of technical means the image of premises intended for the detainees or persons taken in to sober up, emergency youth centres, transitional rooms and temporary transitional rooms;

5) perform personal checks, as well as search through baggage and inspect cargo in ports and railway stations, as well as in means of land, air and water transport, in case of justified suspicion that a forbidden act subject to penalty has been committed;

5a) observe and record, using technical means, events in public places, and in the case of preliminary investigations, administrative and order keeping activities undertaken under the Act – also the sounds accompanying the events;

6) request necessary assistance from the state institutions, central and local government authorities and economic units carrying out public utility activity; the

institutions, authorities and units referred to are obliged, within their scope of activity, to provide assistance within the provisions of law in force;

7) request necessary assistance from other economic units and social organisations, and from any person to provide temporary assistance in cases of emergency within the provisions of law in force;

8) (repealed)

Article 19 [Control in specific situations]

1. In case of preliminary investigation carried out by the Police to prevent, detect, establish perpetrators, as well as obtain and record evidence of the perpetrators prosecuted by the public prosecutor, or of intentional crime: when other means appeared ineffective or there is significant probability of the means being ineffective or useless, the district court, at a written request of the Police Commander in Chief, submitted after a prior written consent of the general Public Prosecutor or a written request of the Voivodship Police Commander, submitted after prior written consent of the district prosecutor with territorial competence, may order operational control, by way of resolution.

1) against life, as defined in Articles 148-150 of the Penal Code,

2) defined in Article 134, Article 135 Paragraph 1, Article 136 Paragraph 1, Article 156 Paragraph 1 and 3, Article 163 Paragraph 1 and 3, Article 164 Paragraph 1, Article 165 Paragraph 1 and 3, Article 166, Article 167, Article 173 Paragraph 1 and 3, Article 189, Article 189a, Article 200, Article 200a, Article 211a, Article 223, Article 228 Paragraph 1 and 3-5, Article 229 Paragraph 1 and 3-5, Article 230 Paragraph 1, Article 230a Paragraph 1, Article 231 Paragraph 2, Article 232, Article 245, Article 246, Article 252 Paragraph 1-3, Article 258, Article 269, Articles 280-282, Article 285 Paragraph 1, Article 286 Paragraph 1, Article 296 Paragraph 1-3, Article 296a Paragraph 1, 2 and 4, Article 299 Paragraphs 1-6, as well as Article 310 Paragraph 1, 2 and 4 of the Penal Code,

2a) defined in Article 46 Paragraph 1, 2 and 4, Article 47, as well as Article 48 Paragraph 1 and 2 of the Act of 25 June 2010 on sport (Journal of Laws No. 127, item 857, as amended8)),

3) against business trading defined in Articles 297-306 of the Penal Code, resulting in property loss or directed against property, if the damage is in excess of the multiple of fifty minimum wages, defined on the basis of separate provisions,

4) fiscal offences, if the value of the subject of offence or reduction of public private amount due is in excess of the multiple of fifty minimum wages, defined on the basis of separate provisions,

4a) fiscal offences referred to in Article 107 Paragraph 1 of the Penal Fiscal Code,

5) illegal manufacture, possession or trade in arms, ammunition, explosives, intoxicants, psychotropic substances and their precursors, as well as nuclear and radioactive materials,

6) defined in Article 8 of the Act of 6 June 1997 – provisions implementing the Penal Code (Journal of Laws No. 88, item 554, as amended)9)),

7) defined in Articles 43-46 of the Act of 1 July 2005 on collection, storage and transplantation of cells, tissues and organs (Journal of Laws No 169, item 1411, of 2009 No. 141, item 1149, of 2010 No. 182, item 1228, as well as of 2011 No. 112, item 654),

8) prosecuted under international contracts and agreements,

1a. The request referred to in Paragraph 1 shall be presented with the materials justifying the need for operational control.

2. The provision referred to in Paragraph 1 shall be issued by the district court with territorial competence on account of the seat of the Police authority submitting the request.

3. In cases of utmost urgency, where any delay could result in the loss of information, obliteration or destruction of the evidence of a crime, the Police Commander in Chief or the Voivodship Police Commander may, at a written consent of the competent prosecutor referred to in Paragraph 1, order operational control, submitting also a request for resolution in that matter to the district court with territorial competence. Should the consent not be granted within 5 days from the day of ordering operational control, the managing authority shall withhold the operational control and destroy all materials collected during the control in the presence of a committee to be evidenced by a report.

4.(repealed)

5. Should the need arise to order operational control in relation to a suspect or person charged, the request of the Police authority, referred to in Paragraph 1, to order operational control should be accompanied by information about the proceedings against that person.

6. Operational control is performed discreetly and consists in:

1) control of the content of correspondence;

2) control of the content of parcels;

3) use of technical resources which facilitate obtaining information and evidence discreetly, as well as recording thereof, especially the content of telephone conversations and other information submitted via the telecommunications networks.

7. The request of the Police authority, referred to in Paragraph 1, to order operational control by the district court, should include in particular:

1) case number and cryptonym, if applicable,

2) description of the crime, stating, if possible, its legal qualification;

3) circumstances justifying the need to perform operational control, including stated or possible ineffectiveness or uselessness of other means;

4) personal data or other data facilitating unambiguous determination of the entity or object subject to operational control, stating the place or procedure for undertaking the control;

5) objective, time and type of the operational control referred to in Paragraph 6.

8. Operational control shall be ordered for a period not exceeding 3 months. The district court may, at a written request of the Police Commander in Chief or the Voivodship Police Commander, following a written consent of the competent prosecutor, issue a

resolution on single extension of operational control for a period not exceeding 3 subsequent months, if the reasons for ordering the control have not been established.

9. In justified cases, when there appear new circumstances important to prevent or detect crime or establish perpetrators and obtain evidence of crime, the district court may, at a written request of the Police Commander in Chief, following a written consent of the General Public Prosecutor, issue a resolution on operational control for the period determined also after the periods referred to in Paragraph 8.

10. The provisions of Paragraph 1a and 7 shall apply to the requests referred to in Paragraphs 3, 8 and 9, respectively. The court, prior to issuing the resolution referred to in Paragraphs 1, 3, 4, 8 and 9, may wish to see the materials justifying the request, in particular those collected during operational control ordered for that case.

11. The requests referred to in Paragraphs 1, 3-5, 8 and 9 shall be examined by the district court individually. At the same time, court proceedings relating to examination of the requests should be performed under conditions foreseen for submission, storage and provision of classified information and adequate application of the regulations issued pursuant to Article 181 Paragraph 2 of the Code of Criminal Procedure. The court sitting may be attended only by a prosecutor and a representative of the Police authority requesting the order of operational control.

12. Entities carrying out telecommunication operations and entities providing postal services shall ensure, at their own expense, technical and organisational conditions facilitating the operational control carried out by the Police.

13. Operational control shall be completed immediately when the causes of its institution no longer exist, at the latest, however, upon the expiry date.

14. The Police authority referred to in Paragraph 1 shall notify the competent prosecutor about the results of operational control upon its completion, and at his/her request, also about the course of the control.

15. Where evidence is obtained that justifies the institution of criminal proceedings or significant to the criminal proceedings in progress, the Police Commander in Chief or the Voivodship Police Commander shall provide the competent prosecutor with any and all materials collected during operational control. The provisions of Article 393 Paragraph 1 first sentence of the Code of Criminal Proceedings shall apply accordingly to proceedings before a court in respect to the materials.

15a. The use of evidence obtained during the operational control shall be permitted only in criminal proceedings relating to an offence or fiscal offence in respect of which it is allowed to use such control by the authorized entity.

15b. The prosecutor referred to in Paragraph 1 shall decide on the scope and manner of use of the received materials. Article 238 Paragraphs 3-5 and Article 239 of the Code of Criminal Procedure shall apply accordingly.

15c. In the event that, in result of operational control, an evidence of offence or fiscal offence, for which operational control may be ordered, is obtained as committed by the person to whom operational control was applied, other than the offences covered by the operational control ordinance, or committed by another person, the court which ordered operational control or consented to it in the manner specified in Paragraph 3 shall decide on its use in criminal proceedings, at the request of the prosecutor referred to in Paragraph 1.

15d. The prosecutor shall direct the request referred to in Paragraph 15c to the court no later than one month from receipt of materials collected during the operational control, provided to him by the Police authority immediately, but no later than within 2 months from the date of completion of the control.

15e. The court shall issue the order referred to in Paragraph 15c within 14 days from the date of filing the request by the prosecutor.

16. The person subject to operational control shall not be provided with materials collected during the control. The provision is not in violation of the rights under Article 321 of the Code of Criminal Proceedings.

17. Any materials collected during operational control, which do not include evidence that justifies the institution of criminal proceedings, shall be stored after the conclusion of control for the period of 2 months. They shall then be destroyed in the presence of a committee and the process evidenced in a report. The destruction of materials shall be ordered by the Police authority which requested the operational control.

17a. The Police authority shall be obliged to immediately inform the prosecutor referred to in Paragraph 1 on the issuance and execution of orders for the destruction of the materials referred to in Paragraph 17.

18.(repealed)

19.(repealed)

20. The ruling of the court concerning operational control referred to in Paragraphs 1, 3, 8 and 9 may be appealed against by the Police authority which requested such ruling. Provisions of the Code of Criminal Proceedings shall apply accordingly to the appeal.

21. The minister competent for internal matters, upon consultation with the Minister of Justice and the minister competent for communications, shall determine, by way of ordinance, the mode of recording the operational control, as well storage and submission of requests and orders, as well as storage, submission, processing and destruction of materials obtained during control, taking account of the necessity to ensure secret character of measures taken and materials obtained, and models of forms and registers used.

22. The minister competent for the internal affairs shall provide the lower (Sejm) and upper (Senat) chamber of the Parliament with information about the activity defined in Paragraphs 1-21, including the information and data referred to in Article 20 Paragraph 3. The information shall be presented to the Sejm and Senate by 30 June of the year following the year covered by the information.

Article 20 [Collecting information]

1. The Police, subject to limitations of Article 19, may obtain information, also discreetly, collect, examine and process it.

2.(repealed)

2a. The Police, in order to perform its statutory duties, may obtain, receive, collect, process and use information, including personal data, about persons suspected of committing crimes prosecuted by the public prosecutor, minors committing illegal acts prohibited by the Act as crimes prosecuted by the public prosecutor, persons of unknown identity or those seeking to conceal their identity, as well as persons wanted, even without their knowledge of the fact or permission.

2aa. The Police, in order to perform its statutory duties, may obtain, receive, collect, process, examine, and use information, including personal data, obtained or processed by the authorities of other countries and by the International Criminal Police Organization - INTERPOL.

2ab. The Police may provide information, including personal data, to authorities of other countries or the International Criminal Police Organization - INTERPOL referred to in Paragraph 2aa, to prevent or combat crime on a basis and in a mode stipulated in the Act of 16 September 2011 on the exchange of information with law enforcement authorities of the Member States of the European Union (Journal of Laws No. 230, item 1371), in European Union law and provisions of international agreements.

2b. The information referred to in Paragraphs 1, 2a, 2aa and 2ab relates to the persons referred to in Paragraph 2a and may include:

1) personal data referred to in Article 27 Paragraph 1 of the Act of 29 August 1997 on personal data protection, except that genetic code data will be solely about non-coding regions of the genome,
2) fingerprints;
3) photos, sketches and descriptions of appearance;
4) special features and traits, nicknames;
5) information about:
    a) place of residence or stay,
    b) education, profession, place of work, as well as financial situation and assets,
    c) documents and objects they use,
    d) how the perpetrator behaves, their environment and contacts,
    e) perpetrators' attitude to persons affected.

2c. The information referred to in Paragraph 2a shall not be collected if it is not useful for detection, evidence or identification in the conducted proceedings.

3. Where it is necessary for effective prevention of crimes specified in Article 19 Paragraph 1, detection thereof, or establishment of perpetrators and collection of evidence, the Police may use information included in insurance contracts, in particular data which are processed by insurance companies and which concern the entities or individuals that signed insurance contracts, as well as privileged information processed by banks.

Chapter 10c: The contact points of information exchange with Member States, European Union and the national Asset Recovery Office
Article 145k [Cooperation]

1. General Headquarters of Police shall perform the tasks of the national Asset Recovery Offices referred to in Article 1 Paragraph 1 of Council Decision 2007/845/JHA of 6 December 2007 concerning cooperation between Asset Recovery Offices of the Member States in the field of tracing and identification of proceeds from, or other property related to, crime (OJ. EU L 332, 18.12.2007, p. 103).

2. Cooperation, as defined in Council Decision 2007/845/JHA, between the national Asset Recovery Offices referred to in Paragraph 1, and the national Asset Recovery Offices of other Member States of the European Union, in particular relating to the exchange of information for the detection and identification of proceeds of crime or other property related crimes, and relating to the processing of such information, shall take place on the terms and conditions specified in the Act of 16 September 2011 on the exchange of information with law enforcement authorities of the Member States of the European Union.

The Internal Security Agency and Foreign Intelligence Agency Act [2002]

Chapter 1: General Provisions
Article 5

1. The tasks of the ABW shall include:
   1) recognising, preventing and fighting threats aimed against the internal security of the state and against its constitutional order, and especially against its sovereignty and international position, independence and inviolability of its territory and against its defence system,
   2) recognising, preventing and exposing:
      a) crimes of espionage, terrorism, breach of the state secret and other crimes aimed against the state's security,
      b) crimes aimed against the economic foundations of the state,
      c) crimes of corruption of persons holding public posts, which are referred to in articles 1 and 2 of the act of 21st August, 1997 on restricting economic activity by persons holding public posts (Journal of Laws4 No. 106 item 679, of 1998 No. 113 item 715 and No. 162 item 1126, of 1999 No. 49 item 483, and of 2000 No. 26 item 306), if it may threaten the state's security,
      d) crimes of production and trade in goods, technologies and services of strategic importance to the state's security,
      e) crimes of illegal production, possession and trade in weapons, ammunition and explosive materials, weapons of mass-destruction, stupefadents and psychotropic substances in international trade, and prosecuting the perpetrators of these crimes,
   3) performing, within its competence, the tasks of the state protection service and fulfilling the functions of the national security authority in the field of classified information protection in international relations,
   4) acquiring, analysing, processing and forwarding to appropriate authorities information which may be vital to the protection of internal security of the state and its constitutional order,
      5) undertaking other steps defined in other acts and international covenants and agreements.

2. The activity of the ABW shall be performed out of the territory of the Republic of Poland in connection with its activity within the territory of the state, solely within the range of the tasks defined in paragraph 1 subparagraph 2.

Chapter 3: The Organisation of the Internal Security Agency and Intelligence Agency
Article 15

The Head of the ABW and of the AW shall be a person who:

1) has only Polish citizenship,
2) has full public rights,
3) displays impeccable moral, civic, and patriotic attitudes,
4) can be trusted to fulfil his duties properly,
5) meets the requirements specified in the regulations on the protection of classified information in the aspect of the access to information being a state secret, classified as "Top Secret",
6) was not an officer of, did not work for, and did not collaborate with the state security organs referred to in Article 5 of the act of 18 December 1998 on the Institute of National Remembrance - Commission for the Prosecution of Crimes against the Polish Nation (Journal of Laws No. 155 item 1016, of 1999 No. 38 item 360, and of 2000 No. 48 item 553), and who was not a judge that, while bringing out verdicts, offended against the dignity of his office by departing from the principle of the judge independence.

Act on the Central Anti-Corruption Bureau [2006]

Chapter 1: General provisions
Art. 2

1. Within the competence set forth in Art. 1 sec. 1, the CBA`s tasks comprise:

1) Recognition, prevention and detection of offences against:

a) the activity of public institutions and local government, set out in Art. 228-231 of the Act of 6 June 1997 – The Penal Code, and also referred to in Art. 14 of the Act of 21 August 1997 on Restrictions on Conduct of Business Activities by Persons Performing Public Functions (Journal of Laws of 2006 No. 216 item 1584, of 2008 No. 223, item 1458 and of 2009 No. 178, item 1375); the administration of justice, set forth in Art. 233, elections and referendum, set forth in Art. 250a, public order, set forth in Art. 286, the credibility of documents, set forth in Art. 270-273, property, set forth in Art. 286, business transactions, set forth in Art. 296-297 and 299 and 305, circulation of money and securities, set forth in Art. 310 of the Act of 6 June 1997 – The Penal Code, as well as those referred to in Art. 585-592 of the Act of 15 September 2000 – The Code of Commercial Companies (Journal of Laws No. 94, item 1037, as amended) and set forth in Art. 179-183 of the Act of 29

July 2005 on Trading in Financial Instruments (Journal of Laws No. 183, item 1538, as amended) if they are connected with corruption or activities considered detrimental to the State's economic interests, political parties financing, set forth in Art. 49d and 49f of the Act of 27 June 1997 on Political Parties (Journal of Laws of 2001 No. 79, item 857, as amended) if they are connected with corruption, fiscal obligations as well as donation and subvention settlements set forth in chapter 6 of the Act of 10 September 1999 – The Penal Fiscal Code (Journal of Laws No. 83, item 930, as amended) if they are connected with corruption or activities considered detrimental to the State's economic interests, the principles of sports competition set forth in art. 46-48 of the Sports Act of 25 June 2010 (Journal of Laws No. 127, item 857) - as well as prosecuting the perpetrators;

2) disclosure and prevention of non-observance of the provisions of the Act of 21 August 1997 on Restrictions on Conduct of Business Activities by Persons Performing Public Functions;

3) documenting the grounds for and initiating the execution of the provisions of the Act of 21 June 1990 on the Return of Unjustly Received Advantages to the Disadvantage of the State Treasury or Other State Legal Persons (Journal of Laws No. 44, item 255, as amended);

4) disclosure of cases of the non-observance of procedures, defined by the provisions of law, of taking and carrying out of decisions within the scope of: privatisation and commercialisation, financial support, public procurement awards, disposing of the property of units or undertakings referred to in Art. 1, sec. 4 as well as granting licenses, permits, personal and transaction exemptions, allowances, preferences, quotas, plafonds, sureties and credit guarantees;

5) controlling the correctness and truthfulness of asset declarations or declarations on conduct of business activities by persons performing public functions referred to in Art. 115 § 19 of the Act of 6 June 1997 – The Penal Code, submitted on the basis of separate regulations;

6) carrying out analytical activities concerning phenomena falling within the scope of the CBA`s competence as well as presenting information on the foregoing to the Prime Minister, the President of the Republic of Poland, the Sejm and Senate,

7) undertaking other tasks set forth in separate acts and international contracts.

2. In order to accomplish the tasks of the CBA, the Head of the Central Anti-Corruption Bureau may undertake cooperation with competent authorities and services of other States as well as with international organisations.

2a. The undertaking of the cooperation, referred to in section 2, may take place after the receipt of the consent of the Prime Minister.

3. The CBA may conduct pre-trial proceedings comprising all acts disclosed in its course if they remain in a subjective or objective relation with the act constituting the grounds for instituting of proceedings.

4. The CBA`s activity beyond the borders of the Republic of Poland may be conducted in relation with its activity in the territory of the country, exclusively within the scope of the performance of its tasks set forth in sec. 1 item 1.

Chapter 3: Powers of the officers of the Central Anti-Corruption Bureau

Art. 13

1. Within the scope of the tasks referred to in art. 2, the CBA officers perform:

1) operational and exploratory activities in order to prevent the perpetration of offences, to explore and detect them and – if there is a justified suspicion of a perpetration of a criminal offence – investigation activities for the purpose of prosecuting the perpetrators;

2) control activities in order to disclose cases of corruption in public institutions and in local government authorities as well as the abuse of authority by persons performing public functions, and to disclose activity detrimental to the State"s economic interests;

3) operational and exploratory as well as analytical and information activities in order to obtain and process information material for combating corruption in public institutions and in local government authorities as well as activity detrimental to the State"s economic interests.

2. The CBA also performs activities on the order of the court or prosecutor within the scope set forth in the Act of 6 June 1997 – The Code of Penal Procedure (Journal of Laws No. 89, item 555, as amended) and in the Act of June 1997 – The Executive Penal Code (Journal of Laws No. 90, item 557, as amended).

3. Officers of the CBA perform activities falling within the competence of the CBA and within this scope they are vested with the process powers of the Police, resulting from the provisions of the Act of 6 June 1997 – The Code of Penal Procedure.

4. During the performance of the activities referred to in sec. 1 and 2, officers of the CBA are obliged to respect human dignity and to observe and protect human rights irrespective of a person"s nationality, origin, social situation, political, religious or ideological beliefs.

Art. 14

1. Officers of the CBA, while performing the activities set forth in Art. 2 sec. 1 item 1, have the right to:

1) give orders to individuals to behave in a specific manner, within the scope indispensable to perform the activities referred to in items 2 – 5;

2) check a person"s identity documents to establish his/her identity;

3) detain persons in the manner and under the circumstances specified in the provisions of the Code of Penal Procedure;

4) search persons and premises in the manner and under the circumstances specified in the provisions of the Code of Penal Procedure;

5) conduct a body search, examine the contents of luggage, stop vehicles and other means of transportation as well as check the cargo in land, air and water means of transportation in the event of a justified suspicion of the perpetration of a criminal or fiscal offence;

6) observe and register, with the use of technical means, the picture of events in public places and the sound accompanying these events in the course of performing operational and exploratory activities undertaken on the basis of the Act;

7) request indispensable assistance from the State institutions, government administration and local authority as well as entrepreneurs carrying out activities within the scope of public utility; the abovementioned institutions, authorities and entrepreneurs are obliged, within the scope of their activities, to provide assistance gratuitously within the scope of the provisions of law in effect;

8) request indispensable assistance from entrepreneurs, organisational units and social organisations other than those set forth in item 7, as well as ask any person for assistance, within the provisions of law in force.

2. A detained person or a person subjected to the search has the rights of, respectively, a detained person or a person whose rights have been infringed, as set forth in the provisions of the Code of Penal Procedure.

3. A person may be detained only if other measures proved to be pointless or ineffective.

4. A detained person may be presented, photographed or fingerprinted only when their identity cannot be established in a different manner.

5. A detained person should, in the event of a justified need, be given a medical examination or provided with first aid.

6. The activities referred to in section 1, items 1 – 6 should be performed in a manner which in the least degree violates the personal rights of the person with respect to whom such activities were undertaken.

7. Against the manner of conducting activities referred to in section 1:

1) items 1, 2, 5, 7 and 8, within 7 days of performing the activity,

2) item 6, within 7 days of the date when the entity learnt about the activities carried out against the entity;

- a claim may be lodged with the prosecutor in charge at the place where the activities were conducted. The provisions of the Act of June 1997 – The Code of Penal Procedure - pertaining to appeal proceedings apply to the complaint.

8. The materials from the activities referred to in section 1 item 6, which do not confirm the perpetration of an offence or a tax offence, are subject to immediate, witnessed and recorded destruction. The Head of the CBA orders the destruction of the materials.

9. The Prime Minister shall define, by way of an ordinance, the manner of carrying out of medical examinations, referred to in section 5, of persons detained by the officers of the CBA. The ordinance should define the persons who carry out the examinations as well as the organisation and place of the examination and also the circumstances justifying the

need of providing a detained person with first aid, taking into consideration the protection of the health of the detained person.

10. The Council of Ministers shall define, by way of an ordinance, the detailed conditions of carrying out and documenting the activities referred to in section 1 items 1-6, taking into consideration the manner, adjusted to the situation, of carrying out the activities undertaken by the officers of the CBA within their statutory powers, and the officers` obligations during the performance of these activities.

11. The Council of Ministers shall define, by way of an ordinance, the detailed manner of carrying out the activities referred to in section 1 items 7 and 8, taking into account the obligations of an officer of the CBA who demands or requests assistance.

Art. 17

1. In the process of performing operational and exploratory activities undertaken by the CBA in order to explore, prevent and detect offences, as well as obtain and preserve evidence of:

1) the offences referred to in Art. 228 – 231, 250a, 258, 286, 296-297, 299, 310 § 1, 2 and 4 of the Act of 6 June 1997 – The Penal Code;

2) fiscal offences referred to in Art. 2 item 1 letter d, if the value of the subject of the offence or decrease of public receivables exceeds fifty times the amount of the minimum average remuneration for work determined on the basis of the provisions of the Act on the Minimum Remuneration for Work of 10 October 2002 (Journal of Laws No. 200, item 1679, of 2004 No. 240, item 2407 and of 2005 No. 157m, item 1314)

- when other measures proved to be ineffective or it is highly probable that they will be ineffective or useless, the Court, on a written application of the Head of the CBA, lodged after obtaining a written approval of the Public Prosecutor General, may, by way of a ruling, order an operational control.

2. The ruling referred to in item 1 is issued by the District Court in Warsaw.

3. In urgent cases, which may result in a loss of information or the obliteration or destruction of the evidence of an offence, the Head of the CBA may order, after obtaining the approval of the Public Prosecutor General, an operational control, simultaneously submitting an application to the Court, referred to in item 2, for the issuance of a ruling in this case. The Court issues a ruling on the application within 5 days. Where the permission is not granted by the Court, the Head of the CBA suspends the operational control and orders an immediate, witnessed and recorded destruction of the evidence collected in the course of its conduct.

4. If the ordering of an operational control is required with respect to a suspect or person accused in another case, information on the proceedings pending against the suspect or the person is included in the motion of the Head of the CBA, referred to in item 1.

5. Operational control is conducted confidentially and includes:

1) control of the contents of correspondence;

2) control of the contents of parcels;

3) use of technical means which allow to obtain information and evidence in an implicit manner and their record, in particular of the content of telephone

conversations and other information conveyed through telecommunications networks.

6. An operational control is documented in the form of a protocol to the extent related to the case.

7. The application of the Head of the CBA, referred to in section 1, contains in particular:

1) the case number and its cryptonym, if applicable;

2) the description of the criminal offence and its legal qualification;

3) the circumstances justifying the need to apply an operational control, including the determined or likely inefficiency or uselessness of other measures;

4) the personal data or other data which allow to unequivocally define the entity or object against whom/which an operational control shall be performed, including an indication of the location or the manner of its carrying out;

5) the objective, duration and the type of operational control conducted.

8. An operational control is ordered for a period not longer than 3 months. The Court, referred to in section 2, may, on a written request of the Head of the CBA, submitted after obtaining the written approval of the Public Prosecutor General, issue a decision on a one-time extension of the operational control for a period not longer than 3 consecutive months if the grounds for ordering the operational control have not ceased.

9. Under justified circumstances, when in the course of carrying out of an operational control there arise new circumstances which are crucial to the prevention or detection of a criminal offence or establishing the perpetrator and obtaining of evidence of a criminal offence, the Court referred to in section 2, on a written application of the Head of the CBA, filed after obtaining a written approval of the Public Prosecutor General, may issue a ruling on the continuation of the operational control also after the expiry of the terms referred to in section 8.

10. The provisions of section 7 apply accordingly to the applications referred to in sections 3, 8 and 9. Prior to the issuance of the ruling referred to in sections 3, 8 and 9, the Court familiarises itself with the materials justifying the application, collected in the course of carrying out of the operational control ordered in the case.

11. The applications referred to in sections 1, 3, 8 and 9, are examined by the Court composed of one judge, while the activities of the Court connected with the examination of the applications should be performed in the conditions stipulated for the conveying, storing and making classified information accessible as well as with the application of the regulations issued on the basis of Art. 181 § 2 of the Act of 6 June 1997 – The Code of Penal Procedure. Only the prosecutor and an officer of the CBA appointed by the Head of the CBA are entitled to participate in the Court"s session.

12. Entities carrying out telecommunications activities and entities entitled to perform postal activities are obliged to ensure, at their own expense, the technical and organisational conditions which allow carrying out of an operational control by the CBA.

13. An operational control should be ended immediately after the cessation of the causes of its arrangement, but not later than upon the expiry of the term for which it was arranged.

14. The Head of the CBA notifies the Public Prosecutor General of the outcome of an operational control after its termination, and on his request, also about the course of control, presenting the materials gathered.

15. Where the evidence obtained allows the institution of criminal proceedings or which is significant for pending criminal proceedings, the Head of the CBA conveys the materials obtained in the course of the operational control to the Public Prosecutor General, together with an application to start criminal proceedings if necessary. During the proceedings before the Court, the provisions of Art. 393 § 1 of the Act of 6 June 1997 – The Code of Penal Procedure, apply accordingly to such materials.

16. The materials gathered in the course of an operational control, which do not constitute information confirming the perpetration of an offence, are subject to immediate, witnessed and recorded destruction. The Head of the CBA orders the destruction of the materials.

17. The Head of the CBA may lodge a complaint against the Court's rulings on operational control, referred to in sections 1, 3, 8 and 9. The respective provisions of the Code of Penal Procedure apply to the complaint.

18. The Prime Minister shall define, by way of an ordinance, the manner of documenting of an operational control as well as the storage and conveying of applications and regulations, and the storage, conveying, processing and destroying of the materials obtained in the course of such control, taking into consideration the need to ensure the classified character of the undertaken activities and of the obtained materials, and the templates of the documents and registers used.

Art. 19

1. In cases concerning criminal offences set forth in Art. 17 section 1, operational and exploratory activities aimed to check previously obtained, credible information on an offence as well as the detection of the perpetrators and obtaining evidence may involve the purchase, in an implicit manner, or the takeover of objects from an offence, which are subject to forfeiture or objects, the manufacturing, transportation of which or trading in which is prohibited, and also may include acceptance or giving of a financial advantage.

2. The Head of the CBA may order, for a specified period of time, the activities set forth in section 1, after obtaining a written approval of the Public Prosecutor General, whom he notifies on an on-going basis about the current course of said activities and their outcome.

3. The activities specified in section 1 may comprise the submission of a proposal of purchasing, selling or taking over of objects from an offence, which are subject to forfeiture, or objects, the manufacturing, transportation of which or trading in which is prohibited, and also may include the proposal of acceptance or giving of a financial advantage.

4. The activities set forth n in section 1 cannot involve managing activities having the features of a prohibited act under the pain of a penalty.

5. In the event of confirmation of information about a criminal offence set forth in Art.2 section 1 item 1, the Head of the CBA delivers to the Public Prosecutor General the materials obtained as a result of the activities along with an application to institute criminal proceedings. In the course of the proceedings before Court, with respect to such materials,

the provisions of Art. 393 § 1 sentence one of the Act of 6 June 1997 – The Code of Penal Procedure apply accordingly.

6. The Prime Minister shall define, by way of an ordinance, the manner of carrying out and documenting of the activities referred to in section 1. The ordinance shall, taking into consideration the classified character of the activities, set forth the manner of the storage, conveying and destroying of the materials and documents obtained or created in connection with activities referred to in section 1, as well as define the templates of the documents and registers used.

Art. 25

1. In the course of performing its tasks, the CBA may use the assistance of persons who are not officers of the CBA. Without prejudice to section 2, it is prohibited to disclose the data of a person providing assistance to the CBA in the course of performing operational and exploratory activities.

2. A disclosure of the data of the person referred to in section 1 may occur exclusively under the circumstances stipulated in Art. 28.

3. For their assistance, the persons referred to in section 1 may be compensated from the operational fund.

4. Where in the course of using or in connection with the use of the assistance of other persons referred to in section 1, by the CBA, such persons lost their life or suffered deterioration in health or damage to property, such persons or their heirs are entitled to damages on the principles set forth in the Civil Code.

5. The Prime Minister shall define, by way of an ordinance, the conditions and manner of awarding damages under the circumstances referred to in section 4 as well as the types and the amount of damages due in the event of the loss of life or suffering a deterioration in health or damage to property in the course of or in connection with the assistance to the CBA, taking into consideration the specific nature of the assistance provided as well as the scope of the tasks completed within its scope.

Chapter 5: Service of the officers of the Central Anti-Corruption Bureau

Art. 48

Service in the CBA may be performed by a person who:

1) has exclusively Polish citizenship;

2) enjoys full public rights;

3) displays an immaculate moral, civil and patriotic attitude;

4) has not been convicted of an intentional offence, prosecuted by the public prosecutor, or for a fiscal offence;

5) satisfies the requirements set forth in the regulations on the protection of classified information;

6) has at least a secondary education and the required professional qualifications as well as the physical and mental capability to serve;

7) has not served as a professional soldier, worked for or co-operated with the State security services mentioned in Art. 5 of the Act on the Institute of

National Remembrance - Commission for the Prosecution of Offences against the Polish Nation of 18 December 1998.

Art. 50

1. An acceptance of a candidate for service in the CBA takes place after conducting the recruitment process, which comprises:

1) submitting a job application for acceptance into the service, personal questionnaire, as well as documents confirming the required education and professional qualifications and containing data on previous employment;

2) conducting an interview;

3) security clearance procedure, prescribed in the provisions on the protection of classified information;

4) determining the physical and mental capability for service in the CBA.

2. A candidate applying for service in the CBA on a position requiring specific skills or qualifications may be subject to a recruitment process, extended by activities intended to check the candidate's suitability for serving on that position, including a polygraph test.

3. The qualification process for officers or former officers of the Internal Security Agency, Police and the Guard Service may be limited to the activities set forth in section 1 items 1 and 2.

4. The Prime Minister shall define, by way of an ordinance, the template of the personal questionnaire as well as the detailed manner of conducting the recruitment process for candidates for service in the CBA, taking into consideration the activities required to take a decision with respect to the person applying for service in the CBA.

The Banking Act [1997, as amended in 2011]

CHAPTER 1: GENERAL PROVISIONS

Article 2

A bank shall constitute a legal person, established pursuant to the provisions of statute,
operating on the basis of authorisations to perform banking operations that expose to risk funds which have been entrusted to the bank and which are in any way repayable.

Article 4

1. The terms employed in the present Act shall be construed as follows:

1) domestic bank — a bank having its registered office in the Republic of Poland,

2) foreign bank — a bank having its registered office outside the Republic of Poland, in a country that is not a member of the European Union,

3) international financial institution — a financial institution in which the majority of equity capital is held by member states of the Organisation for

Economic Co-operation and Development or by the central banks of such states,

4) payment card — a card that identifies the issuer and authorised cardholder, and allows the withdrawal of cash and making payments, and also, where the card is issued by a bank or other institution with statutory authority to extend credit, allows the withdrawal of cash and making payments on credit,

5) electronic money — monetary value constituting an electronic equivalent of currency, which fulfils all of the following conditions together:

a) it is stored on electronic media,

b) it is issued under an agreement in exchange for funds of a nominal value no less than the monetary value in question,

c) it is accepted as a means of payment by entrepreneurs other than the issuer,

d) it is redeemable for funds by the issuer on demand,

e) it is expressed in monetary units,

6) (repealed),

7) financial institution — an undertaking other than a bank or credit institution, whose basic activity generating most of its income consists in business activity involving:

a) acquiring and disposing equities and shares,

b) extending internally funded loans,

c) making assets available under leasing contracts,

d) providing services relating to the acquisition and disposal of claims,

e) providing money transfer services,

f) issuing and administering payment instruments,

g) extending guarantees or sureties, or entering into other commitments not reported in the balance sheet,

h) trading, for its own account or that of another natural or legal person, or an organisational unit without legal personality yet having legal capacity, in:

— financial forward transactions,

— money market instruments,

— securities,

i) participating in issues of securities or providing services related to such issues,

j) providing asset management services,

k) providing financial advice services, including investment advice,

l) providing brokerage services on the money market,

8) parent undertaking:

a) a parent undertaking as defined in Art. 4, para. 14, of the Act of 29 July 2005 on Public Offering and the Conditions for Introducing Financial Instruments to the Organised Trading System and on Public Companies, (Journal of Laws 2005, No. 184, item 1539), or

b) an undertaking which, in the opinion of the Polish Financial Supervision Authority, may in some other way exercise significant influence over another undertaking,

9) subsidiary undertaking — an undertaking which has another undertaking as its parent, with all subsidiaries of such a subsidiary undertaking also being considered subsidiaries of the original parent undertaking,

10) financial holding company — a group of undertakings where the original parent undertaking is a financial institution which is not a non-regulated parent undertaking as defined in Art. 3, para. 5 of the Act of 15 April 2005 on Supplementary Supervision of Credit Institutions, Insurance Undertakings, Reinsurance Undertakings and Investment Firms in a Financial Conglomerate (Journal of Laws 2005, No. 83, item 719; 2006, No. 157, item 1119, and 2009, No. 42, item 341), hereinafter referred to as "Act on Supplementary Supervision"; the financial conglomerate is composed exclusively or mainly of banks, credit institutions or financial institutions, with at least one subsidiary being a domestic bank, foreign bank or credit institution,

11) mixed-activity holding company — a group of undertakings where the original parent undertaking is an undertaking other than a bank, credit institution or financial institution and at least one subsidiary is a domestic bank, foreign bank or credit institution,

11a) foreign banking group (holding company) — a group of undertakings where the original parent undertaking is a foreign bank or credit institution and at least one subsidiary is a domestic bank, foreign bank, credit institution or financial institution,

11b) domestic banking group (holding company) — a group of undertakings:

a) where the original parent undertaking is a domestic bank or

b) which is composed of a domestic bank and undertakings having close links to that bank,

11c) hybrid holding company — a group of undertakings where the original parent undertaking is a financial institution which is not a non-regulated parent undertaking as defined in Art. 3, para. 5 of the Act on Supplementary Supervision and the group is composed mainly of undertakings other than domestic banks, foreign banks, credit institutions or financial institutions, with at least one subsidiary being a domestic bank,

12) ancillary banking services undertaking — an undertaking, the principal activity of which is ancillary to the principal activity of one or more banks and in particular consists in managing its own property or that entrusted to it, or providing data processing services,

13) competent supervisory authorities — the authorities empowered by the regulations in force to supervise undertakings operating on the financial market,

14) significant influence — the capacity to participate in making decisions that direct the financial and operating policy of another undertaking, including decisions on the distribution of profit or absorption of net loss,

15) close links to other parties:

a) participation in the form of ownership, direct or indirect, of at least 20% of capital of another undertaking, or right to exercise at least 20% of votes in the decision-making bodies of another undertaking or

b) maintenance of a business relationship with another undertaking based on permanent cooperation, particularly where this stems from a concluded agreement or agreements, where in the opinion of the Polish Financial Supervision Authority this may contribute materially to the deterioration of the financial situation of one of those undertakings,

16) entities linked by capital or management — at least two entities of which at least one exercises a significant influence, directly or indirectly, on the other or others, or which constitute a single economic risk to the bank, since the financial condition of one of them may have impact on the repayment of liabilities by the other or others,

16a) entrepreneur — an entrepreneur as referred to in Art. 4, para. 1 of the Act of 2 July 2004 on the Freedom of Business Activity (Journal of Laws 2004, No. 173, item 1807),

16b) foreign entrepreneur — a foreign entrepreneur as defined in Art. 5, subpara. 3 of the Act mentioned in subpara. 16a,

17) credit institution — an undertaking having its registered office outside the Republic of Poland, in one of the Member States of the European Union, hereinafter referred to as “Member States”, which, acting on its own behalf and for its own account, on the basis of authorisation by the competent supervisory authorities, carries out the business of receiving deposits or other funds entrusted to it, which are in any way repayable, and of extending loans, or of issuing electronic money,

18) branch of a credit institution — an organisational unit of a credit institution, which performs on its behalf and for its benefit all or some of the operations deriving from the authorisation granted to that credit institution, with all the organisational units of a given credit institution set up in the Republic of Poland and corresponding to the above characteristics being regarded as a single branch,

19) branch of a domestic bank abroad — an organisational unit of a domestic bank, which performs on its behalf and for its benefit all or some of the operations deriving from the authorisation granted to that domestic bank, with all the organisational units of a given domestic bank set up in a given country other than the Republic of Poland and corresponding to the above characteristics being regarded as a single branch,

20) branch of a foreign bank — an organisational unit of a foreign bank, which performs on its behalf and for its benefit all or some of the operations deriving from the authorisation granted to that bank, with all organisational units of the given foreign bank set up in the Republic of Poland and corresponding to the above characteristics being regarded as a single branch,

21) cross-border activity — the performance by a credit institution in the Republic of Poland, or by a domestic bank in a host Member State, of all or some of the operations deriving from the authorisation granted to it, without the involvement of a branch of that institution or bank,

22) home Member State — the Member State in which a given credit institution has been authorised to pursue business, and in which it has its registered office,

23) host Member State — a Member State in which a domestic bank conducts or intends to pursue its business,

24) intermediary institution — a bank or other institution which participates in the execution of cross-border transfers and is neither the bank of the originator nor that of the beneficiary.

25) investment fund corporation – an investment fund corporation as defined in the Act of 27 May 2004 on Investment Funds (Journal of Laws 2004, No 146, item 1546).

26) securitisation fund – a securitisation fund as defined in the Act of 27 May 2004 on Investment Funds,

27) sub-participation agreement - the agreement referred to in Art. 183 para. 4 of the Act of 27 May 2004 on Investment Funds,

28) parent institution in a Member State – a credit institution or a domestic bank whose subsidiary or an undertaking closely linked to them as defined in subpara. 15 letter a is a credit institution, financial institution or a domestic bank, and which are not subsidiary undertakings of a credit institution acting in pursuance of a licence issued in the same state or of a financial institution having its registered office in the same state, or of a domestic bank,

29) parent undertaking in a financial holding company in a Member State – a parent undertaking of a financial or hybrid holding company which is not a subsidiary undertaking of a credit institution acting pursuant to a licence issued in the same state or of a financial institution having its registered office in the same state, or which is not a subsidiary undertaking of a domestic bank, in the case where such an undertaking has its registered office in the territory of the Republic of Poland,

29a) management company – a management company as referred to in Art. 2 subpara. 10 of the Act of 27 May 2004 on Investment Funds,

30) EU parent undertaking – a parent undertaking in a Member State, which is not a subsidiary undertaking of a credit institution or a domestic bank, or a financial institution having its registered office in a Member State,

31) EU parent undertaking of a financial holding company – a parent undertaking of a financial holding company in a Member State, which is not a subsidiary undertaking of a credit institution or a domestic bank, or a financial institution having its registered office in a Member State.

2. Undertakings having close links to a domestic bank belonging to a holding company shall also be deemed to belong to the holding companies referred to in para. 1, subparas. 10–11a, 11b point a, and in subpara. 11c.

3. The provisions of the present Act referring to Member States shall also apply to the states which are not Member States but are part of the European Economic Area.

Article 5

1. Banking operations shall comprise:

1) acceptance of deposits payable on demand or at a specified maturity, and the operation of such deposit accounts,

2) operation of other bank accounts,

3) extension of loans,

4) issue and confirmation of bank guarantees, and issue and confirmation of letters of credit,

5) issue of bank securities,

6) performance of bank monetary settlements,

6a) issue of electronic money,

7) performance of other operations reserved solely for banks under separate legislation.

2. Where the following operations are performed by banks, they shall also be deemed banking operations:

1) extension of cash advances,

2) operations involving cheques and bills of exchange, and operations relating to warrants,

3) issue of payment cards and performance of operations by using such cards,

4) financial forward transactions,

5) purchase and disposal of monetary claims,

6) safekeeping of valuables and securities, and provision of safe deposit facilities,

7) purchase and sale of foreign exchange,

8) extension and confirmation of suretys,

9) execution of actions commissioned [by customers], relating to the issue of securities,

10) acting as an intermediary in the performance of money transfers and foreign exchange settlements.

3. The issue of the electronic money and making payments using such instrument, shall be subject to separate regulations.

4. Subject to the provision of para. 5 herein, the business activity involving the operations referred to in para. 1 may be carried out solely by banks.

5. Entities other than banks may perform the operations referred to in para. 1 where so authorised under the provisions of separate legislation.

Article 6

1. In addition to the performance of the banking operations referred to in Art. 5, paras. 1 and 2, banks may also:

1) take up or acquire shares and rights on such shares, shares in other legal persons and units in investment funds,
2) incur liabilities relating to the issue of securities,
3) trade in securities,
4) exchange claims for assets belonging to the debtor, on terms agreed with such a debtor,
5) acquire and dispose of real estate property,
6) provide financial consulting and advisory services,
6a) provide certification services as defined in the regulations on electronic signatures, excluding the issue of qualified certificates employed by banks in operations to which they are a party,
7) provide other financial services,
8) perform other operations, where so authorised under the provisions of separate legislation.

2. A bank shall be required to sell the assets referred to in para. 1, subpara. 4:
1) with regard to real estate property — no later than within 5 years of its acquisition,
2) with regard to other assets — no later than within 3 years of their acquisition.

3. The requirement referred to in para. 2 shall not apply to the bank if it uses the acquired assets to carry out its own banking activity.

CHAPTER 2: ESTABLISHMENT AND ORGANISATION OF BANKS, BRANCHES AND REPRESENTATIVE OFFICES OF BANKS

Article 25

1. Any party intending to take up or acquire shares in a domestic bank, directly or indirectly, or to exercise rights on shares of such a domestic bank in the amount which would result in that party being entitled to or more that 10%, 20%, one third or 50% of the total number of votes at a general meeting or to take or acquire shares in the authorised capital shall be required to notify each time the Polish Financial Supervision Authority of its intention of taking up or acquiring such shares. Any party intending, directly or indirectly, to become a parent undertaking in a way different than by taking up or acquiring shares, rights on shares in a domestic bank in the amount guaranteeing the majority of votes at the general meeting, shall be required each time to notify the Polish Financial Supervision Authority of such intention.

2. A party is deemed to become indirectly a parent undertaking of a domestic bank or to take up or acquire shares or voting rights on shares of a domestic bank indirectly when it becomes a parent undertaking of a party that directly becomes a parent undertaking of a domestic bank or directly takes up or acquires shares or voting rights on shares, and also a party that takes actions as a result of which it will become a parent undertaking of a party that is a parent undertaking of a domestic bank or that holds shares or rights on shares in a domestic bank.

3. In the case where a party who intends to:

1) directly take up or acquire shares or rights on shares in a domestic bank or to become a parent undertaking of a domestic bank is a subsidiary undertaking then only this party together with the primary parent undertaking shall notify the Polish Financial Supervisory Authority,

2) indirectly take up or acquire shares or rights on shares in a domestic bank,or to become a parent undertaking of a domestic bank is a subsidiary undertaking then only the primary parent undertaking notifies the Polish Financial Supervisory Authority,

4. The notification requirement referred to in para. 1 shall apply to:

1) the pledgee and the usufructuary of shares, if pursuant to Art. 340, para. 1 of the Commercial Companies Code they are entitled to exercise voting rights,

2) to any party who has obtained the right to exercise a proportion of voting rights, specified in para. 1 as a result of actions other than taking up or acquiring of shares or rights on shares in a domestic bank, in particular as a result of an amendment to the articles of association or due to expiry of the preference attached to shares or limitation of voting rights attached to share rights, also as a result of taking up shares or rights on shares in a domestic bank in the proportion which ensures taking up or exceeding proportions specified in para. 1 of total number of voting rights at a general meeting or shares in the authorised capital by heredity.

5. In the case specified in para. 4 the notification requirement arises before execution of voting rights on shares or execution of powers of a parent undertaking against a domestic bank. Provisions of Art. 25a-25n shall apply mutatis mutandis.

6. Provisions of para. 2 and 3 shall apply mutatis mutandis to the parties referred to in para. 4.

7. Provisions of para. 1-6 and 9 shall apply mutatis mutandis where two or more parties act together pursuant to an agreement or understanding on the execution of voting rights on shares in proportion specified in para. 1 or execution of authorisations of a parent undertaking of a domestic bank.

8. Where the parties act together pursuant to an agreement or understanding, as referred to in para. 7, all parties to the agreement shall forward the notification.

9. Provisions of para. 1 shall not apply when shares of a domestic bank are taken up or acquired by a domestic bank, credit institution, brokerage house, or an investment firm having its registered office in another EU Member State, at the execution of agreement on investment subissue, as defined in the Act of July 29, 2005 on Public Offering and the Conditions for Introducing Financial Instruments to the Organised Trading System and on Public Companies if

1) rights on shares shall not be exercised in order to integrate management of a domestic bank,

2) shares in a domestic bank are to be transferred within a year of the date of their taking up or acquisition.

Article 25b

1. The party submitting the notification referred to in Art. 25 para. 1 shall present with such notification information concerning:

1) identification of the notifying party, persons managing its activity and the persons proposed for members of the domestic bank's management board, unless the notifying party intends to introduce changes in this regard,

2) identification of the domestic bank specified in Art. 25 para. 1,

3) professional, business or statutory activity of the entity and persons referred to in para. 1, in particular, objectives, scope and place of activity, its course so far, as well as education of the notifying party, who is a natural person, and persons referred to in para. 1,

4) a group to which the notifying party belongs, in particular its structure, undertakings, legal and actual capital, financial and personal ties with other parties,

5) economic and financial standing of the notifying party,

6) criminal conviction or conviction relating to tax offences, conditionally discontinued proceedings and disciplinary proceedings that ended up with punishment, as well as other administrative and civil proceedings concerning the notifying party or persons, referred to in para. 1, which may affect evaluation of the notifying party in view of the criteria specified in Art. 25h para.2,

7) ongoing criminal proceedings relating to intentional offences – with the exception of offences prosecuted under private accusation – or proceedings relating to tax offences, and other ongoing administrative, disciplinary and civil proceedings which may affect evaluation of the notifying party in the light of criteria specified in Art. 25h para. 2, pursued against the notifying party or persons specified in para. 1, or proceedings connected with the activity of such a party or those persons,

8) actions aiming at taking up or acquiring shares or rights on shares in the amount ensuring that the party reaches or exceeds the threshold levels specified in Art. 25 para. 1 or at becoming a parent undertaking of a domestic bank, and, in particular, achieving target share in the total number of votes at the general meeting of a domestic bank, and the authorisations connected with that share, way and sources of financing the taking up or acquisition of shares or rights on shares, and agreements concluded in connection with those actions and actions undertaken with the approval of other parties,

9) the notifying party's intentions concerning future activity of a domestic bank, in particular marketing, operational and financial plans, as well as organisation and management, taking into consideration the commitments referred to in Art. 25h para. 3.

2. Information on qualifications and professional experience, and also information specified in para.1 subparas. 6 and 7 are not required in the case of the notifying party and persons managing its activity where the notifying party is a domestic bank, credit institution, insurance company, reinsurance company, brokerage house, investment firm and managing

company which have obtained approval for performing activity in a Member State, unless such a circumstance is specified in the notification.

3. The minister competent for financial institutions shall specify by regulation documents which should be enclosed to the notification in order to present information described in para. 1, taking into consideration the requirement of providing a good proportion of the required information depending on the influence of the notifying party on the management of a domestic bank.

Article 30

1. The establishment of a bank may be performed where:

1) it is ensured that the bank will be provided with:

a) own funds commensurate to the kinds of banking activity anticipated and the scale of operations intended,

b) premises equipped with technical facilities appropriate for the proper safekeeping of funds and valuables, taking into consideration the scope and kinds of banking activity to be conducted,

2) the founders and persons proposed for members of the bank's management board, including the president, give adequate guarantee of the sound and prudent management of the bank, and at least two of the persons proposed for members of the bank’s management board are adequately educated and have professional experience necessary to manage a bank, as well as a proven knowledge of the Polish language,

3) (repealed),

4) the founders submit a business plan of the bank for at least the immediate three years which indicates that this activity will not endanger the funds held on the bank.

1a. The Polish Financial Supervision Authority shall, in the form of a decision issued at a request of the founders, depart from the requirement concerning the proven knowledge of the Polish language referred to in para. 1, subpara. 2, if it is not necessary for prudential supervision, taking into account in particular the level of permissible risk or the scope of activity of the bank.

2. Part of the initial capital may be provided in the form of non-cash contributions, in the form of equipment or real estate property, where such will be of direct use in carrying out banking activity, subject, however, to the cash contribution to the initial capital being no less than the amount specified in Art. 32, para. 1, and to the value of the non-cash contributions not exceeding 15% of the initial capital.

3. (repealed).

4. In particularly justified cases, the Polish Financial Supervision Authority may give consent for the limit referred to in para. 2 to be exceeded.

5. A bank's initial capital shall not come from a loan or cash advance, or be derived from undocumented sources.

Article 31.

1. An application to the Polish Financial Supervision Authority for authorisation to establish a

bank should include:
1) the bank's proposed name and registered office,
2) specification of banking operations for which the bank is to be authorised, and information on the objectives and scope of intended activity,
3) information on:
a) the founders and persons proposed for members of the bank's management board,
b) the bank's initial capital.
2. The application shall have appended thereto:
1) a draft of the bank's articles of association,
2) the bank's programme of operations and financial plan for at least the immediate three years,
3) the documents required by the Polish Financial Supervision Authority on the bank's founders
and their financial situation,
3a) the documents referred to in Art. 82, para. 2, subparas. 1-5 and 7 of the Act of July 29, 2005
on Trading in Financial Instruments, corresponding to the scope of activities referred to in Art.
69, para. 2, subparas. 1-7 of that Act, which the bank intends to perform pursuant to Art. 70, para. 2 of that Act.
4) the opinion of the competent supervisory authorities of the country where the applicant has
its registered office, if the founder is a foreign bank.
3. The draft articles of association referred to in para. 2, subpara. 1 shall specify, in particular:
1) the company name, which should contain the term “bank” as a separate word, distinguish itself from the names of other banks and indicate whether the bank in question is to be a state
bank, a bank incorporated as a joint-stock company, or a cooperative bank,
2) the bank's registered office, objectives and scope of activity, taking into consideration operations referred to in Art. 69, para. 2, subparas. 1-7 of the Act of July 29, 2005 on Trading in Financial Instruments, which the bank intends to perform pursuant to Art. 70, para. 2 of that
Act.
3) the management bodies and their competences, including particularly the competences of the
members of the management board referred to in Art. 22b, para. 1, and the decision making principles, the basic organisational structure of the bank, the procedures applicable to making
legally binding statements regarding property rights and obligations, the procedures for issuing
internal regulations and the procedure for making decisions concerning the undertaking of commitments or disposal of assets whose total value with regard to a single entity exceeds 5%

of the bank's own funds,
4) the principles of functioning of the internal control system,
5) the own funds and financial management principles.
4. Where the application for authorisation to establish a bank is submitted by more than 10 founders, these shall be required to empower 1-3 persons as their attorneys, who shall represent
them in front of the Polish Financial Supervision Authority during the period preceding the grant
of authorisation to establish a bank. Power of attorney should be drawn up in the form of a notarial deed.

CHAPTER 8: PARTICULAR RIGHTS AND OBLIGATIONS OF BANKS

Article 105

1. A bank shall be required to disclose information that is subject to the obligation of banking secrecy solely:

1) to other banks and credit institutions to the extent to which such information is necessary to perform banking operations and the acquisition and disposal of claims,

1a) on a reciprocal basis — to other institutions authorised by law to grant loans — on claims, trading and balances of bank accounts to the extent to which such information is necessary to extend loans, cash advances, bank guarantees and other guarantees,

1b) to other banks, credit institutions or financial institutions to the extent necessary to:

a) follow binding regulations concerning the supervision on consolidated basis, including in particular preparation of consolidated financial accounts also covering the bank,

b) manage the risk of large exposures,

c) apply statistical methods referred to in Art. 128d, paras. 1 and 6,

1c) to the institutions referred to in para. 4 to the extent necessary to apply the statistical methods, as referred to in Art. 128d, paras. 1 and 6;

2) at the request of:

a) the Polish Financial Supervision Authority, in the scope of supervision exercised pursuant to the present Act and the Act of 21 July 2006 on the Supervision of Financial Markets (as published and amended in Journal of Laws 2006, No. 157, item 1119), employees of the Office of the Financial Supervision Authority, in the scope as referred to in Art. 139, para. 1,subpara. 2, and persons authorised by resolution of the Polish Financial Supervision Authority to the extent specified in the relevant authorisation,

b) a court or public prosecutor in connection with legal proceedings under way in cases involving criminal or fiscal offences:

— against a natural person where such person is a party to an agreement with the bank, in the scope of information related to that natural person,

— committed in connection with the activity of a legal person or organisational unit without legal personality, in the scope of information related to that legal person or organization,

c) a court or public prosecutor in connection with the performance of a request for legal assistance from a foreign state which, on the basis of a ratified international agreement binding on the Republic of Poland, has the right to request information that is subject to the obligation of banking secrecy,

d) a court in connection with inheritance proceedings under way or the division of the joint property of husband and wife, and also legal proceedings under way against a natural person in cases involving alimony or alimony pension, where the said person is party to an agreement with the bank,

e) the General Inspector of Fiscal Control in connection with:

– legal proceedings under way against a natural person in cases involving criminal or fiscal offences, where the said person is party to an agreement with the bank,

– legal proceedings under way in cases involving criminal or fiscal offences committed, in respect of the activity carried out by a legal person or an organisational unit without legal personality, where such is account holder at the bank,

f) the President of the Supreme Chamber of Control to the extent necessary to carry out the inspection procedures specified in the Act of 23 December 1994on the Supreme Chamber of Control (as published in Journal of Laws 2001, No. 85, item 937; No. 154, item 1800, and of 2002, No. 153, item 1271),

g) (repealed),

h) the President of the Bank Guarantee Fund, in the scope of information specified in the Act of 14 December 1944 on the Bank Guarantee Fund (as published and amended in Journal of Laws 2000, No. 9, item 131),

i) the certified auditor appointed to audit the bank's accounts by contractual agreement with the bank,

j) (repealed),

k) the Internal Security Agency, the Millitary Counterintelligence Agency, Foreign Intelligence Agency, the Millitary Intelligence Service, Central Anticorruption Bureau, Police, Military Police, Border Guard, Prison Service, Government Protection Bureau and officers or soldiers thereof, furnished with due written authorisation, to the extent necessary to conduct inquiries pursuant to the regulations on the protection of classified information,

l) the Police, where this is necessary for effective crime prevention or detection, or to detect and establish the perpetrators of a crime and gather evidence, in accordance with the principles and procedure specified in Art. 20 of the Police Act of 6 April 1990,

ł) a court bailiff, in connection with enforcement proceedings, proceedings to secure claim that are under way and performance of other activities pursuant to the court bailiff's statutory tasks,

m) issuers of electronic payment instruments other than banks, to the extent specified in the Act of 12 September 2002 on Electronic Payment Instruments (Journal of Laws 2002, No. 169, item 1385),

n) the General Inspector of Personal Data Protection to the extent necessary to perform statutory tasks specified in Art. 12 and 14 of the Act of 29 August 1997 on the Personal Data Protection (Journal of Laws 2002, No. 101, item 926, No. 153, item 1271; 2004, No. 25, item 219 and No. 33, item 285),

o) a co-ordinator in relation to his carrying out of a supplementary supervision of a financial conglomerate as understood by the Act on Supplementary Supervision,

p) the Head of the Central Anticorruption Bureau in accordance with the principles and procedure specified in Art. 23 of the Act of 9 June 2006 on the Central Anticorruption Bureau (Journal of Laws 2006, No. 104, item 708),

q) a competent supervisory authority with whom the Commission for Banking Supervision concluded an agreement referred to in Art. 131, para. 2 or Art. 141 f, para. 3, owing to the execution of the consolidated supervision by this authority,

r) the President of the Office of Competition and Consumer Protection to the extent specified by the Act of 30 April 2004 on the Procedural Issues Concerning Public Aid (as published and amended in Journal of Laws 2004, No. 123, item 1291 and 2006, No. 191, item 1411 and No. 245, item 1775)

s) a public prosecutor, the Police and other law enforcement authorities authorised to carry out preparatory proceedings in cases involving criminal offence or discovery process in cases of minor offences - within the scope specified in Art. 78 para. 4 of the Act of 20 June 1997 on Road Traffic (Journal of Laws 2005, No. 108, item 908, as amended).

t) a Customs Service authority in accordance with the principles and procedure specified in Art. 75 of the Act of 27 August 2009 on Customs Service (Journal of Laws No. 168, item 1323)

3) to the National Bank of Poland with respect to the inspection performed and the gathering of data essential for drawing up a balance of payments and an international investment position, as well as to other banks authorised to act as an intermediary in executing payment orders to foreign countries by

residents and domestic settlements with non-residents, to the extent specified in the Foreign Exchange Act of 27 July 2002 (Journal of Laws 2002, No. 141, item 1178).

2. The scope and procedures for providing information by banks to tax authorities, the General Inspector of Financial Information, fiscal inspection agencies, as well as to the trustee and his/her deputy, under the provisions of the Act of 29 August 1997on Mortgage Banks and Mortgage Bonds (Journal of Laws 1997, No. 140, item 940; 1998, No. 107, item 669; 2000, No. 6, item 70, No. 60, item 702; 2001, No. 15, item 148, No. 39, item 459, and 2002, No. 126, item 1070) shall be those laid down in separate legislation.

2a. Banks, at a written request of the Social Insurance Institution, shall be required to draw up and forward information on the bank account numbers of contribution payers, and forward the data enabling identification of those account holders.

3. Banks, other institutions authorised by statute to extend loans, state institutions and other persons to whom information that is subject to the obligation of banking secrecy has been disclosed shall be bound to use such information solely within the limits to which they are authorised under para. 1.

4. Banks, together with bank chambers of commerce, may establish institutions authorised to collect, process and provide:

1) to banks — information subject to the obligation of banking secrecy to the extent to which such information is necessary to perform banking operations and in connection with the use of statistical methods referred to in Art. 128, para. 3 and Art. 128d, para. 1,

2) to other institutions authorised by statute to extend loans — information subject to the obligation of banking secrecy in the scope needed to extend loans, cash advances, bank guarantees and other guarantees.

4a. Without prejudice to paras. 4a1 and 4a2 institutions established under the provisions of para.4 may provide to business information agencies operating under the Act of 9 April 2010 on Granting Access to Business Information and Interchange of Economic Data (Journal of Laws No. 81, item 530) access to data in the scope and on the terms specified in the above-mentioned Act by way of teletransmission.

4a1 Providing access to data pursuant to para. 4a may take place where the creditor requesting such data access has obtained a written authorization from the person whom the data relates to. The authorisation defines the scope of data to be disclosed.

4a2 The manner in which the data access is made available shall be stipulated by an agreement concluded between an institution established pursuant to para. 4 and a business information agency. The agreement shall include a specimen form of authorization referred to in para. 4a1

4b. Banks may provide the agencies referred to in para. 4a, with access to data on liabilities following from agreements related to the performance of banking operations, where such agreements include clauses informing of the possibility of forwarding data to those agencies.

4c. The clauses referred to in para. 4b, contain information on the terms on which the banks shall forward the data referred to in Art. 7, para. 2 and Art. 8, para. 1 of the Act referred to in para. 4a to the agencies.

4d. Institutions established pursuant to para. 4 may make the access to information on liabilities following from agreements related to banking operations available to financial institutions that are banks' subsidiaries, where such agreements include clauses informing of the possibility of forwarding data to those financial institutions.

5. Banks shall be liable for any damage resulting from their disclosure of information that is subject to the obligation of banking secrecy and from the use of such information for purposes other than those for which they were originally designed.

6. Banks shall not be liable for any damage resulting from the disclosure of information that is subject to the obligation of banking secrecy by the persons and institutions authorised under the hereby Act to require banks to provide the information that is subject to the obligation of banking secrecy.

CHAPTER 11: BANKING SUPERVISION

Article 131

1. The activity of banks, branches and representative offices of foreign banks, as well as of branches and representative offices of credit institutions, shall be subject to supervision exercised by the Polish Financial Supervision Authority, the scope and principles of such supervision being set out in the present Act and the Act of 21 July 2006on the Financial Market Supervision.

2. Supervision of the activity of a branch or representative office of a foreign bank in Poland, and of a branch or representative office of a domestic bank abroad, may be performed on terms laid down in an agreement between the Polish Financial Supervision Authority and the competent supervisory authorities, these terms including the scope of examinations and procedure for their performance.

3. Pursuant to the provisions of the agreement referred to in para. 2, the Polish Financial Supervision Authority may provide information concerning a bank to the banking supervision agency of another country, where:

1) this will not prejudice the economic interests of the Republic of Poland,

2) it is ensured that the information provided will be utilised solely for the purposes of banking supervision,

3) it is guaranteed that the information provided may be transmitted to parties outside the agency of banking supervision solely with the prior consent of the Polish Financial Supervision Authority.

4-6 (repealed).

7.(repealed).

Article 131a

1. Banks are required to make payments due to banking supervision calculated as a product of total assets of the bank and a rate not exceeding 0.024 %.

2. Liabilities arising from payments for financing costs of the supervision, referred to in para. 1, are subject to execution under provisions related to administrative enforcement proceedings.

3. The President of the Council of Ministers shall specify by regulation date of payments, amounts and the way the payments shall be calculated, as referred to in para. 1, taking into consideration the efficiency the exercised supervision to be ensured.

4. In the case of failure to keep the deadline of payment, as established pursuant to para. 3, statutory interest shall be charged.

Article 132

The Minister of Finance or the Minister of State Treasury may apply to the Polish Financial Supervision Authority for implementation of the supervisory measures or sanctions referred to in Art. 133 and Art. 138.

Article 133

1. The objective of the supervision is to ensure:

1) the safety of funds held on bank accounts,

2) compliance by the banks with the provisions of the present Act, the Act on the National Bank of Poland, their articles of association, and the decision on granting authorisation to establish those banks.

3) compliance of banks' activity carried out in accordance with Art. 70 para. 2 of the Act on

Trading in Financial Instruments of July 29, 2005 with provisions of that Act, this Act and the articles of association.

2. The measures taken in the exercise of banking supervision shall involve, in particular:

1) assessment of the banks' financial standing, including reviewing the solvency, quality of assets, payment liquidity and financial results,

2) reviewing the quality of bank management system, in particular the risk management and internal control systems,

3) reviewing loans, cash advances, letters of credit, bank guarantees and sureties, as well as issued bank securities for compliance with the regulations in force in these respects,

4) reviewing the security taken against loans and cash advances and timeliness of repayment,

5) reviewing compliance with the limits referred to in Art. 71 and Art. 79a, and assessment of

the process of identifying, monitoring and control of concentration of exposures, including large exposures,

6) reviewing the bank adherence to the standards of permissible risks in banking activity, specified by the Polish Financial Supervision Authority, the management of risk related to the conducted banking activity, including the adjustment of the risk identification and monitoring processes, as well as risk reporting, to the type and extend of activities conducted by the bank,

7) assessment of estimating, maintaining and reviewing the internal capital.

3. Inspection activities shall be carried out by employees of the Office of the Financial Supervision Authority, who ought to produce the official identification card and provide the authorisation granted by the Chairperson of the Polish Financial Supervision Authority.

3a. Provisions of Chapter 5 of the Act of 2 July 2004 on Freedom of Economic Activity shall apply to inspection of an entrepreneur's business activity .

4. The Polish Financial Supervision Authority, National Bank of Poland and persons carrying out banking supervision activities are not liable for damage resulting from legitimate actions or omission of action connected with the supervision exercised by the Polish Financial Supervision Authority over the activities of banks, branches and representative offices of foreign banks, branches of credit institutions and supervision exercised pursuant to the provisions of the Act of 12 September 2002 on Electronic Payment Instruments over electronic money institutions and branches of foreign electronic money institutions.

Article 134

1. Solely certified auditors meeting the standards referred to in Art.20, para. 1, subpara. 2, of the Act of 13 October 1994 on Certified Auditors and Their Self-Regulatory Body (as published in Journal of Laws 2001, No. 31, item 359), may be appointed to audit financial statements of a bank and also of a branch of a foreign bank.

2. Banks shall be required to submit to the Polish Financial Supervision Authority audited financial statements, on a consolidated and unconsolidated basis, together with the auditor's opinion and report, within 15 days of the financial statements being approved, enclosing a copy of the resolution or decision of the body approving the statements to the effect that the accounts have been approved.

Article 135

1. When irregularities are found in the audit review commissioned by a bank, the Polish Financial Supervision Authority may require the bank to commission to an indicated certified auditor examination of the correctness and accuracy of all financial statements prepared by the bank, inspection of the books of account, analysis of the loan portfolio and performance of other measures specified in Art. 133, para. 2. Where this audit review reveals irregularities, the cost of the review shall be borne by the bank.

2. The audit review specified in para. 1 may also be commissioned directly by the Polish Financial Supervision Authority. In this case, the cost of the audit shall be borne by the Polish Financial Supervision Authority, subject to the provision of para. 3.

3. Should an audit commissioned by the Polish Financial Supervision Authority reveal irregularities, the cost of the audit shall be borne by the bank.

4. Taking into account the necessity of maintaining particular security measures, in appointing a certified auditor for the audit review of a bank's financial statement specified in para. 2, the provisions of the Law Public Procurements of 29 January 2004 (as published and amended in Journal of Laws 2004, No. 19, item 177(2)) do not apply.

Article 136

1. The certified auditor performing an audit of a bank's financial statements or the audit referred to in Art. 134 and Art. 135 shall be required to notify the Polish Financial Supervision Authority immediately of any facts disclosed during their reviews which indicate:

1) the commission of a criminal offence,

2) a contravention of provisions regulating banking activity,

3) a contravention of sound banking practice or other risk jeopardising the interests of the bank's customers,

4) the possibility that a negative opinion will be expressed on the bank's financial statements, or that the expression of an opinion will be disclaimed.

2. In taking the actions referred to in Art. 135, para. 2, the auditors shall be governed by the regulations applicable to bank supervisors taking such actions.

3. The provisions of para. 1 shall apply mutatis mutandis to auditors performing audits of the financial statemens of undertakings having close links to the bank.

Article 137

The Polish Financial Supervision Authority:

1) shall specify, by resolution, the scope of information referred to in Art. 22a, para. 2, and a list of information and documents referred to in Art. 22b, para. 2,

1a) shall specify, by resolution, a list of documents referred to in Art. 6d para. 2, subpara. 1,

2) shall specify, by resolution, a list of the documents referred to in Art. 31, para. 2, subpara. 3,

3) may establish mandatory standards of bank liquidity and other standards regulating permissible risks in banking activity,

4) may specify, by resolution, detailed principles for managing risk related to the activity referred to in Art 6a—6d,

5) may issue recommendations related to good practices of sound and prudent bank management.

Article 137a

For the purposes of examination of the banks' compliance with standards and limits specified by the Act, the amounts expressed in foreign currencies as defined in the provisions of the foreign exchange law shall be converted into zloty, and the exchange-rate indexed amounts shall be calculated at the mid-rate published by the National Bank of Poland and ruling on the date of the examination.

Article 138

1. In performance of its supervisory responsibilities, the Polish Financial Supervision Authority may issue recommendations to banks, these involving, in particular:

1) taking the necessary measures to restore payment liquidity or to achieve and observe the standards referred to in Art. 137,

2) increasing own funds,

3) abandoning particular forms of advertising,

4) development and implementation of procedures which shall ensure maintenance, updated assessment and review of the internal capital and operation of the bank management system,

5) implementation of special rules for creating provisions for banking risk or charges to provisions for depreciation of assets or special treatment of assets while calculating capital requirements,

6) limitation of the banking activity risk.

2. The Polish Financial Supervision Authority may order a bank to cease payments from net earnings or refrain from opening organisational units until such time as the payment liquidity is restored or the bank achieves the standards referred to in Art. 137.

3. Where it is found that a bank is failing to comply with the recommendations determined in para. 1, or with the orders referred to in para. 2, or where the bank's activity is in contravention of the law or the bank's articles, or jeopardises the interests of bank account holders, the Polish Financial Supervision Authority may, after first cautioning the bank in writing:

1) apply to the appropriate management body of the bank for the discharge of the president, vice president or other member of the management board directly responsible for the irregularities noted,

2) suspend from office the members of the management board referred to in subpara. 1 pending

the adoption of a resolution on the application for their discharge at the next meeting of the supervisory board; the suspension from office shall involve such persons being excluded from making decisions on behalf of the bank in respect of its rights and obligations related to assets,

3) limit the scope of banking activity or the activity of its organisational units,

3a) impose on the bank a financial penalty amounting to 1,000,000 zloty; the provisions of Art. 141, paras. 4 and 5 shall apply mutatis mutandis,

4) revoke authorisation to establish a bank and decide about the bank's liquidation; the provisions of Art. 147, para. 3, and Art. 153-156 shall apply mutatis mutandis.

3a. A decision of the Polish Financial Supervision Authority on restriction of the scope of a bank's activity may contain conditions and time limits.

4. The Polish Financial Supervision Authority may also suspend from office a member of the management board in the case where:

1) charges were brought against that person in criminal proceedings or in fiscal proceedings,

2) that person has caused major financial losses for the bank. The provisions of para. 3, subpara. 2 shall apply mutatis mutandis.

5. The Polish Financial Supervision Authority shall dismiss a member of the bank management board in the event of that person's valid conviction of the offence described in Art. 22b, para. 3, subpara. 1.

6. A bank's activities may also be restricted in scope or the authorisation to create a bank may be revoked where it is found that the bank:

1) no longer fulfils the conditions laid down in the authorisation,

2) was granted the authorisation on the basis of false documents or untrue statements, or through other unlawful actions,

3) has not engaged in banking activity for over 6 months,

4) has become the subsidiary undertaking of persons who, due to the provisions of law in force at the place of their residence or registered office, or due to their links to other parties, prevent the Polish Financial Supervision Authority from performing effective supervision of the bank,

5) does not fulfil requirements specified in Chapter 11b.

6a. The Polish Financial Supervision Authority shall revoke authorisation to establish a branch of a foreign bank if the competent supervisory authorities of the country where the foreign bank has its registered office or place of management have revoked authorisation for that bank to conduct banking activities.

6b. Prior to revoking the authorisation to establish a branch of a foreign bank, the Polish Financial Supervision Authority shall seek opinion of the competent supervisory authorities of the country where the foreign bank has its registered office or place of management, if the agreement referred to in Art. 131, para. 2, provides for seeking such an opinion. Should it be necessary to revoke the authorisation immediately, the Polish Financial Supervision Authority may refrain from seeking that opinion.

6c. The Polish Financial Supervision Authority shall notify the competent supervisory authorities of the foreign bank of revocation of the authorisation referred to in para. 6a.

6d. The Polish Financial Supervision Authority shall notify immediately the competent supervisory authorities of the state where a branch of a domestic bank operates of the revocation of authorisation to create the domestic bank.

7. Measures undertaken under the supervision cannot breach contracts concluded by the bank, except for the agreements

1) referred to in Art. 92a, paras. 1 and 3, and Art. 92d,

2) concluded by a domestic bank with entities operating in the same holding company and the agreements concluded by a domestic bank with other closely linked entities.

Article 138a

1. The Polish Financial Supervision Authority may:

1) obligate a bank to increase its own funds,

2) impose on a bank additional capital requirement exceeding the value resulting from the capital requirement calculated in accordance with detailed principles specified by the Polish Financial Supervision Authority based on the resolution referred to in Art. 128, para. 6, subparas. 1 and 3- 7, in particular in the case of negative findings made during the execution of activities under the banking supervision, including these related to the operation of risk management and internal control systems or the identification, monitoring and review of exposure concentration, including large exposures.

2. The Polish Financial Supervision Authority may also impose an additional capital requirement in the case where the internal capital is not adjusted to the amount of risk

present in the banking activity or other significant irregularities in the risk management have been recorded.

Article 139

1. Banks, and branches and representative offices of foreign banks in Poland, shall be required to:

1) notify the Polish Financial Supervision Authority of the commencement and cessation of business activity; this shall also apply to the commencement and cessation of business activity by a domestic branch of a domestic bank,

2) enable authorised persons to perform the measures determined in Art. 133, para. 2, in particular making available to them books of account, balance sheets, records, plans, reports and other documents, and allowing them, on receipt of a written request, to make copies of such documents and other information media, and also give explanations as required by such persons,

3) advise the Polish Financial Supervision Authority immediately of the measures that will be taken to remove any irregularities noted during the performance of supervisory activity, and comply with any decisions and recommendations issued.

2. The provisions of Art. 138 shall apply mutatis mutandis to the performance of supervision with respect to the activity of a branch of a foreign bank.

Article 140

A domestic bank that has opened a branch or representative office abroad shall be required to notify the Polish Financial Supervision Authority of the commencement and cessation of business activity by such a branch or representative office.

Article 140a

1. Prior to issuing an authorisation to establish a domestic bank, or the authorisation referred to in Art. 25, the Polish Financial Supervision Authority shall seek the opinion of the competent supervisory authorities of the relevant Member State, where that bank would be:

1) a subsidiary undertaking of:

a) a credit institution,

b) a parent undertaking of a credit institution,

c) an insurance company, reinsurance company or an investment firm which were granted appropriate authorisations to carry out business activity in a Member State,

d) parent undertaking of an insurance company, reinsurance company or an investment firm which were granted appropriate authorisations to carry out business activity in a Member State,

2) controlled by the same natural or legal persons that control a credit institution, insurance company, reinsurance company or an investment firm which were granted appropriate authorisations to carry out business activity in a Member State.

2. The Polish Financial Supervision Authority shall seek the opinion of competent supervisory authorities when assessing the persons involved in management of other undertaking of the same group as defined by Art. 3, para. 7 of the Act on Supplementary Supervision. The Polish Financial Supervision Authority and other competent supervisory authorities in Poland shall transfer to each other and to other competent supervisory authorities any information indispensable for granting authorisation and for current supervision purposes.

Article 140b

The Polish Financial Supervision Authority shall notify the European Commission of cases in which the obligation of notification results from the Directives of the European Parliament and of the Council, including in particular Directive 2000/12/EC of the European Parliament and of the Council of 20 March 2000, relating to taking up and pursuit of the business of credit institutions (OJ EC No. L 126, 26.05.2000).

Article 140c

1. The Polish Financial Supervision Authority shall notify the European Commission of each
case where the authorisation to establish a domestic bank or a branch of a foreign bank loses its binding force or is revoked.

2. In the notification referred to in para. 1, the Polish Financial Supervision Authority shall indicate the reasons for the loss of binding force or revocation of the authorisation to establish a domestic bank or branch of a foreign bank.

Article 141

1. In the event of a bank failing to comply with recommendations issued in response to its conduct of business activity in contravention of legislation or the bank's articles of association, or of a refusal to furnish the explanations and information referred to in Art. 139, or in the event of a bank failing to fulfil the requirements specified in Chapter 11b, the Polish Financial Supervision Authority may impose financial penalties on members of the management board up to the equivalent of three months gross remuneration of the person so penalised, calculated with reference to that person's remuneration in the last three months prior to the date the penalty was imposed.

2. Such penalties cannot be imposed where over six months have elapsed since banking supervision became aware of the deed described in para. 1, or over two years have elapsed since the deed took place.

3. The imposition of a financial penalty shall not impede implementation of other measures provided for under this Chapter.

4. The Polish Financial Supervision Authority shall forward the exacted amounts due to financial penalties to the Bank Guarantee Fund.

5. The penalties referred to in para. 1 shall be subject to enforced collection pursuant to the procedures envisaged in the regulations on enforcement proceedings in the administration.

Act on Investment Funds [2004, as amended in 2005]

Part X: Disclosure Requirements Applicable to Investment Funds and Supervision by the Polish Securities and Exchange Commission

Art. 225

1. A management company and an investment fund shall provide the Commission with periodic reports and current information regarding their activities and financial situation.

2. At the request of the Commission or its authorised representative, a management company and an investment fund shall provide other information, documents or explanations necessary to exercise effective supervision.

3. The Polish Council of Ministers shall define, by way of a regulation, the scope of the reports and information referred to in Art. 225.1, as well as the form and time for their delivery, having regard to the need to exercise the Commission's supervision over the activities of management companies and funds in the scope specified in this Act and to assess whether such activities are conducted in the interest of unit-holders of a fund or a collective securities portfolio, or customers who use the management company's services of securities portfolios management on a discretionary basis or advisory services in the area of securities trading .

Art. 228

1. In the event that a management company is in breach of the law, does not comply with the conditions specified in the authorisation, exceeds the scope of the authorisation, or acts to the detriment of the interests of unit-holders of a fund or a collective securities portfolio, the Commission may issue a decision to:

1) revoke the authorisation, or

2) impose a financial penalty of up to PLN 500,000, or

3) impose both of the penalties specified in Art. 228.1 and 228.2.

2. (114) The Commission may impose the sanctions referred to in Art. 228.1 on the management company, if it finds that an investment fund violates the provisions regulating the activities of investment funds, the provisions of the Act on Capital Market Supervision, the Public Offering Act or the Act on Trading in Financial Instruments, does not comply with the provisions of its articles of association or the terms and conditions of the authorisation, and also if the fund's articles of association contain provisions which are in conflict with the provisions of this Act or fail to give due regard to the interests of unit-holders.

2a. (115) The Commission may order the fund to amend its articles of association by the deadline specified by the Commission, if the fund's articles of association contain provisions which are in conflict with the provisions of this Act or fail to give due regard to the interests of unit-holders.

3. In the event that the management company is in breach of the law, does not comply with the conditions specified in the authorisation to manage securities portfolios on a discretionary basis or to provide advisory services in the area of securities trading, exceeds

the scope of its authorisation, does not observe the principles of fair trading or acts to the detriment of the interests of the customer, the Commission may issue a decision to:

1) revoke the authorisation to manage securities portfolios on a discretionary basis or to provide advisory services in the area of securities trading, or

2) impose a financial penalty of up to PLN 500,000, or

3) impose both of the penalties specified in Art. 228.3.1 and 228.3.2.

4. If an agreement or agreements referred to in Art. 185.6 are not concluded within three months from the date of the registration of the fund, the Commission may impose a financial penalty of up to PLN 500,000 on the management company.

5. The decision shall be issued following a hearing. The Commission may make the decision immediately enforceable.

6. The decision shall be published in the Official Journal (Dziennik Urzedowy) of the Polish Securities and Exchange Commission. The Commission may order that the decision be published in two nationwide daily newspapers at the expense of the management company if this is particularly important in order to protect the interests of investors.

7. The Commission shall pass its decisions in respect of an investment fund whose units or investment certificates are sold in the member states of the European Union and outside the Republic of Poland to the competent investment funds supervisory authorities in the states in which such units or certificates are sold.

Part XIII: Professional Secrecy and Exchange of Information between Competent Authorities

Art. 281

1. Subject to the provisions of Art. 282 and Art. 283, the information covered by the professional secrecy obligation may be revealed exclusively on demand of:

1) a court or a prosecutor, if such information is indispensable in pending criminal proceedings, and in civil proceedings, with the proviso that such information may be revealed in connection with civil proceedings if it does not concern third parties who are not a party to such proceedings;

2) the General Tax Supervision Inspector, in connection with proceedings pending before a tax supervision authority regarding a tax offence or a tax misdemeanour, if such information is indispensable in the proceedings;

3) the President of the Supreme Chamber of Control or an inspector authorised by such President – as regards information concerning the entity which is subject to inspection, if such information is necessary to establish the facts in the inspection proceedings, as defined in the Act on the Supreme Chamber of Control of December 23rd 1994 (Dz.U. of 2001, No. 85, item 937 and No. 154, item 1800; Dz.U. of 2002, No. 153, item 1271; Dz.U. of 2004, No. 123, item 1291);

4) head of a tax office, in connection with proceedings pending before a tax supervision authority regarding a tax offence or a tax misdemeanour, if such information is indispensable in the proceedings;

5) director of a tax supervision authority, in connection with proceedings pending before a tax supervision authority regarding a tax offence or a tax misdemeanour, if such information is indispensable in the proceedings;
6) a tax supervision inspector, in connection with proceedings pending before a tax supervision authority regarding a tax offence or a tax misdemeanour, if such information is indispensable in the proceedings;
7) a qualified auditor of the financial statement of the entity bound by a professional secrecy obligation, if such information is indispensable for the purpose of an audit, based on the agreement concluded with such an auditor;
8) the state security services and their officers or soldiers holding a written authorisation
– as regards information necessary to conduct vetting proceedings on the basis of the laws on the protection of classified information;
9) the police, where necessary to prevent commitment of an offence, to detect an offence or to determine the perpetrator and gain the evidence – in compliance with the rules and pursuant to the procedure specified in Art. 20 of the Act on the Police of April 6th 1990 (Dz.U. of 2002, No. 7, item 58, as amended12);
10) a court enforcement officer, in connection with pending enforcement proceedings, if such information is indispensable in the proceedings.

2. A securitisation fund may disclose information on the acquired debts or debt pools to the entities with which it concludes or has concluded agreements referred to in Art. 191.

Art. 282

1. The Commission, its authorised representatives and its employees shall, in connection with the performance of the statutory supervisory responsibilities, have the right of access to inside information and information covered by professional secrecy obligation, held by entities which are obliged to maintain such secrecy.

2. Information referred to in Art. 282.1 and information obtained by the Commission pursuant to Art. 283 may only be used to perform the Commission's statutory tasks and, in particular, it is admissible as evidence in administrative proceedings conducted by the Commission.

3. The professional secrecy obligation shall not be deemed breached by disclosure of information covered by such obligation:

1) with the consent of the person to whom such information relates;
2) in a notification of an offence and any documents submitted in connection with such notification;
3) to the General Inspector for Financial Information, to the Head of the National Centre for Crime-Related Information, to tax authorities or tax supervision authority - to the extent defined in and in accordance with other statutes;
3a) (136) by a management company or a foreign management company:
a) to the ultimate parent entity, as defined in Art. 4.5 and Art. 4.6 of the Act on the Supplementary Supervision of Credit Institutions, Insurance

Undertakings and Investment Firms in a Financial Conglomerate, dated April 15th 2005 (Dz.U. No. 83, item 719), hereinafter referred to as the "Supplementary Supervision Act",

b) to a coordinator as defined in Art. 3.19 of the Supplementary Supervision Act,

c) to a foreign coordinator, as defined in Art. 3.20 of the Supplementary Supervision Act,

- in performance of the obligations specified in the Supplementary Supervision Act;

4) (137) by the Commission or its authorised representative:

a) to the public, to the extent related, subject to Art. 282.3.4b, to the contents of the adopted resolutions and decisions, also in the individual cases, which serve as a basis for administrative decisions – if the Commission has found provision of such information justified in view of the interests of the holders of units in investment funds or collective securities portfolios,

b) to the public, through a news agency referred to in Art. 58 of the Public Offering Act, on a suspicion of an offence connected with the activities of an investment fund – if required to ensure protection of investors against incurring financial losses on the securities or commodity market;

5) in the performance of the disclosure, publication or reporting requirements specified in this Act or the secondary legislation hereto, or in the secondary legislation to the Accountancy Act.

Act on Fiscal Control [1991, as amended in 2011]

Chapter 3: Control Proceedings

Article 33.

1. At a written demand of the General Inspector of Fiscal Control or of the director of a fiscal control office, issued in connection with the preparatory proceedings initiated in cases involving offences, petty offences and fiscal offences or fiscal petty offences, banks shall be obliged to prepare and transfer the information on the suspect in the scope of:

1) their bank accounts or powers of attorney held thereby to have bank accounts at disposal, the number of such accounts or powers of attorney, turnover and balances of those accounts, with a specification of the credits, debits to accounts and their reasons and, respectively the senders and recipients;

2) their financial and securities accounts or powers of attorney held thereby to have such accounts at disposal, the number of such accounts, as well as turnover and balances of those accounts;

3) concluded credit or loan contracts, with a specification of the amount of liabilities resulting from these credits or loans, the purposes for which they were granted and the manner of securing their repayment, as well as contracts of deposit and contracts for making safeboxes available;

4) State Treasury shares or State Treasury bonds acquired through banks as well as trading in those securities;

5) trading in certificates of deposits issued by banks or in other securities.

2. The provisions of paragraph 1, subparagraphs 2 and 4 shall apply accordingly to the subjects running brokerage firms other than banks.

3. The provisions of paragraph 1, subparagraphs 1 and 3 shall apply accordingly to cooperative savings and credit funds.

4. Investment fund societies, at a written demand of the General Inspector of Fiscal Control or the director of a fiscal control office, shall be obliged to draw up and provide them with information concerning the date of acquisition, number, price and value of acquired participation units and on the date of repurchase, number and value of redeemed participation units, the amount paid to the fund's participant for the repurchased participation units, as well as the date and amount of fund's income paid to the participant. The provision of paragraph 1 in the part pertaining to the reasons of making the request shall apply accordingly.

5. Insurance establishments, persons and subjects with whose assistance the insurance establishment performs insurance acts, as well as retirement pension societies, at a written demand of the General Inspector of Fiscal Control or the director of a fiscal control office, shall be obliged to draw up and provide them with information about a party to an insurance contract or a person who is a member of an open retirement pension fund, as well as about amounts deposited and withdrawn in connection with the concluded insurance contracts and in connection with participation in an open retirement pension fund. The provision of paragraph 1 in the part pertaining to the reasons of making the demand shall apply accordingly.

6. The information referred to in paragraphs 1 to 5 shall be provided gratuitously.

7. In the requests referred to in paragraphs 1 to 5, the General Inspector of Fiscal Control or the director of a fiscal control office shall determine the scope of information and the time limit for provision of same.

8. [This paragraph is valid until 1 January 2011.] The demands referred to in paragraphs 1 to 5 shall be marked with the phrase "Fiscal secret" and delivered according to the procedure for documents containing non-public information constituting an official secret within the meaning of the provisions on non-public information protection.

8. [This paragraph comes into force on 2 January 2011.] The demands referred to in paragraphs 1 to 5 shall be marked with the phrase "Fiscal secret" and delivered according to the procedure for documents containing non-public information marked with the phrase "reserved" within the meaning of the provisions on non-public information protection.

Act on Insurance Activity [2003, as amended in 2011]

SECTION II: INSURANCE ACTIVITY
Chapter 1: Principles for the pursuit of insurance activity
Article 19

1. Insurance undertaking and persons employed therewith or the persons and entities with the help of which insurance undertaking performs insurance operations shall be obliged to maintain secrecy concerning individual insurance contracts.

2. The interdiction referred to in paragraph 1 does not concern information given at the request of:

1) the court or public prosecutor's office, provided it is necessary for pending proceedings;

2) the police, if it is necessary to effectively prevent crime, detect it, or to determine perpetrators and obtain evidence, under the rules and procedures laid down in paragraph 20 of the Police Act of 6 April 1990 (Journal of Laws of 2007 No. 43, item 277, as amended9));

3) a court bailiff in connection with pending enforcement proceedings or proceedings to secure claims;

4) the supervision authority, in the scope of performing statutory tasks;

5) the Supreme Audit Office (Najwyższa Izba Kontroli), about the content of insurance contracts concluded by audited entities;

6) the General Inspector of Treasury Control (Generalny Inspektor Kontroli Skarbowej), in connection with the following cases investigated by the treasury control authority:

a) tax crime or a tax offence case against a party to an insurance contract being a natural person, provided that the information is related to the case,

b) a tax crime case committed when performing activities connected with the business of a legal person or a commercial partnership or company that does not have legal personality, being a party to an insurance contract, provided that the information is relevant to the case;

7) the General Inspector of Financial Information (Generalny Inspektor Informacji Finansowej), with respect to his performance of the tasks specified in the Act of 16 November 2000 on Counteracting Money Laundering and the Financing of Terrorism (Journal of Laws of 2003 No. 153, item 1505, as amended10));

8) the Inspector General for the Protection of Personal Data (Generalny Inspektor
Ochrony Danych Osobowych), with respect to his performance of the tasks specified in the Act of 29 August 1997 on the Protection of Personal Data (Journal of Laws of 2002 No. 101, item 926, as amended11));

9) the President of the Office of Competition and Consumer Protection (Prezes Urzędu Ochrony Konkurencji i Konsumentów), with respect to his

performance of the tasks specified in the provisions on protection of competition and consumer protection;

10) a committee for examining damage claims caused by foreign troops in carrying out the tasks specified in the Act of 23 September 1999 on the Terms of Stay of Foreign Troops in the Territory of the Republic of Poland and their Relocation on that Territory (Journal of Laws No. 93, item 1063, of 2003 No. 60, item 536 and No. 210, item 2036 and of 2004 No. 172, item 1805);

11) director of customs chambers, in connection with:

a) tax crime or a tax offence case against a party to an insurance contract being a natural person, provided that the information is related to the case,

b) a tax crime case committed when performing activities connected with the business of a legal person or a commercial partnership or company that does not have legal personality, being a party to an insurance contract, provided that the information is relevant to the case;

12) the central register of motor vehicles, within the meaning of the Road Traffic Law of 20 June 1997, with respect to motor third party liability insurance contracts;

13) the Ombudsman (Rzecznik Praw Obywatelskich) with respect to performing statutory tasks, in connection with an intervention undertaken;

14) the Insurance Ombudsman (Rzecznik Ubezpieczonych) with respect to performing statutory tasks, in connection with an intervention undertaken;

15) the Insurance Guarantee Fund (Ubezpieczeniowy Fundusz Gwarancyjny), with respect to performing statutory tasks;

16) the Polish Motor Insurers' Bureau (Polskie Biuro Ubezpieczycieli Komunikacyjnych), with respect to performing statutory tasks;

17) the Polish Chamber of Insurance (Polska Izba Ubezpieczeń) with respect to performing tasks referred to in Article 220 paragraph 2 (7);

18) a bank authorised to conduct foreign exchange operations, in the scope of determining whether there is any outstanding liability which gives grounds for transferring foreign currency abroad;

19) a chartered accountant, with respect to performing statutory tasks;

20) policy holder, insured, and, in the case of notification of an event implying the liability of the insurance undertaking, also beneficiary or person entitled under the insurance contract in question;

21) another insurance undertaking with which a reinsurance or co-insurance contract was concluded, with respect to insurance contracts against risks covered by such contract;

21a) a reinsurance undertaking with which a reinsurance contract was concluded, with respect to risk insurance contracts covered by such reinsurance contract;

22) another insurance undertaking, in the scope necessary for counteracting insurance crime or applying a tariff depending on the length of a damageless

period or determining proportional liability, in the event of concluding compulsory insurance contracts for the same period with at least two insurance undertakings, or to determine liability, if the same subject of insurance is in the same time insured against the same risk with two or more insurance undertakings for amounts which in total exceed its insurance value;

23) an entity which, on the order of an insurance undertaking, processes data on policy holders, insured, beneficiaries or persons entitled under insurance contracts, as well as persons administering individual accounts of units of unit-linked insurance fund;

24) contractors of the operations specified in Article 3 paragraph 4 (1)-(6) and in paragraph 5, to the extent concerning the operations ordered;

25) other entities whose right to demand information results from the provisions of other Acts.

3. Data processing and the execution of activities by the entities referred to in paragraph 2 (23) and (24) shall not limit the liability arising from the prohibition referred to in paragraph 1.

4. Insurance undertaking may grant access to data concerning insurance contracts, under the principles and following the procedure laid down in the Act of 14 February 2003 on Providing Access to Economic Information (Journal of Laws No. 50, item 424, as amended)).

5. The obligation of secrecy, referred to in paragraph 1, shall not be breached by submitting notification of a crime.

Chapter 2: Insurance undertakings performing activity in the form of a joint stock company

Article 35

1. An entity which intends to directly or indirectly acquire or take up shares or rights of shares in the domestic insurance undertaking in the number providing the achievement or exceedance of 10%, 20%, one third, 50% of the total number of votes at the general shareholders meeting or of its share capital shall every time notify the supervision authority about the intention to acquire or take up shares. An entity which intends to directly or indirectly become a parent entity of the insurance undertaking in a manner other than by acquiring or taking up shares in the domestic insurance undertaking in the number providing the achievement of a majority of votes at the general shareholders meeting shall every time notify the supervision authority about this fact.

2. An entity that is indirectly becoming a parent entity of the domestic insurance undertaking or that is indirectly acquiring or taking up shares or rights of shares in the domestic insurance undertaking shall mean a parent entity of the entity which directly acquires or takes up shares or rights of shares in the domestic insurance undertaking, as well as an entity which undertakes actions resulting in becoming a parent entity of the entity which is a parent entity of the domestic insurance undertaking or holds shares or rights of shares in the domestic insurance undertaking.

3. Where the entity which intends to:

1) directly acquire or take up shares or rights of shares in the domestic insurance undertaking or become a parent entity of the domestic insurance

undertaking, is a subsidiary, the notification is made only by that entity jointly with its ultimate parent entity;

2) indirectly acquire or take up shares or rights of shares in the domestic insurance undertaking or become a parent entity of the domestic insurance undertaking, is a subsidiary, the notification is made only by its ultimate parent entity;

4. The obligation of notification referred to in par. 1, also applies to:

1) the pledgee and the user of the shares if, pursuant to Article 340 § 1 of the Code of Commercial Partnerships and Companies, they are entitled to exercise the voting rights of that shares;

2) the entity which obtained the right to vote at the general shareholders meeting on the levels defined in par. 1 as a result of events other than taking up or acquisition of shares or rights of shares in the domestic insurance undertaking, in particular, as a result of a change in the articles of association or as a result of expiry of the privilege or limitation of the voting right of shares, as well as to the acquisition of shares or rights of shares in the insurance undertaking in the quantity resulting in the achievement or exceeding of the levels specified in par. 1 in the overall number of votes at the general shareholders meeting or participation in the share capital as a result of inheritance.

5. In the case referred to in par. 4, the obligation of notification occurs before the voting right of shares is exercised or before the rights of the parent entity of the insurance undertaking are exercised. The provisions of Articles 35a-35o apply accordingly.

6. The provisions of par. 2 and 3 shall apply accordingly in respect of the entities referred to in par. 4.

7. The provisions of par. 1-6 and 9 shall apply accordingly where two or more entities act in agreement, whose subject matter is exercise of the voting rights of shares on the levels defined in par. 1 or exercise of the rights of the parent entity of the domestic insurance undertaking.

8. If acting in agreement referred to in par. 7, the notification shall be made by all parties to the agreement jointly.

9. The provisions of par. 1 shall not apply when the acquisition or taking up of shares in the domestic insurance undertaking is made by a credit institution or investment firm having a registered office in the territory of the Member State of the European Union, in execution of the agreement on investment underwriting of shares in the meaning of the Act on public offering and terms and conditions of introducing financial instruments into an organised trading system and on public limited companies of 29 July 2005, if:

1) the rights of the shares are not exercised for the purpose of interfering in the management of the domestic insurance undertaking and

2) the shares in the domestic insurance undertaking are disposed of within a year from the day on which they are acquired or taken up.

Chapter 4: Terms for pursuing insurance activity by domestic insurance undertakings
Article 92

1. The supervision authority shall, upon examination of the application of the insurance undertaking's founders, issue, by way of a decision, authorisation to pursue insurance activity for domestic insurance undertakings.

2. The application referred to in paragraph 1 shall contain the following:

1) specification of the name or business name, registered office and address, and the territorial range and material scope of activity of the domestic insurance undertaking concerned;

2) specification of the amount of share capital;

3) an indication of the founders of that domestic insurance undertaking;

4) an indication of the legal form in which the activity is to be pursued;

5) specification of the amount of the initial fund earmarked for the establishment of that domestic insurance undertaking's administration and the organisation of its representative office network; this requirement shall not concern a case where acquisition on behalf of the insurance undertaking referred to in Article 38 paragraph 1 will be done by the insurance undertaking's founders' own structures;

6) an indication of the names and surnames of the persons assigned as members of the management board and the supervisory board;

7) an indication of the name and surname of the actuary, the person entrusted with keeping the accounting books and the investment adviser in a case where the obligation to employ such person results from the Act.

3. The following shall be enclosed with the application referred to in paragraph 1:

1) draft articles of association of the domestic insurance undertaking;

2) drafts of general insurance conditions against risks, in the scope of which the authorisation is to be issued;

3) the financial statements of the founders, comprising balance sheets, profit and loss accounts, cash flow statements for the last 3 years preceding the date of submitting

the application or for the whole period of activity, if the founders concerned have pursued business activity for a period less than 3 years - in a case where the obligation to prepare such founders' financial reports on the business activity pursued by them results from separate provisions of the law;

4) notes on the accounts referred to in point 3;

5) calculation of the required solvency margin and calculation of the value of available solvency margin – in the case where the founder concerned is an insurance undertaking or reinsurance undertaking;

6) bank reports of the cash flow on bank accounts, covering the period of one year until the date of submitting the application, tax returns submitted on the basis of the provisions on personal income tax for the last three fiscal years, a declaration of the origin of cash earmarked for covering the share capital and the initial fund – in the case of founders being natural persons who are not obliged to draw up financial statements;

7) the founders' declarations of share capital, with an indication of the entities acquiring shares, the manner of acquisition of shares, the number of shares acquired and the type of shares;
8) evidence from the founders of possessing funds free from encumbrances in an amount equal to the share capital and the initial fund, together with a declaration that these funds are earmarked to cover the share capital and the initial fund;
9) the scheme of operations covering the period of the first 3 financial years of activity;
10) certificate or declaration on entry in the National Court Register or excerpt from an appropriate register issued outside of the borders of the Republic of Poland, issued not later than 3 months prior to the filing of the application – if the founder is a legal person;
11) a certificate of the supervision authority competent for the registered office of a foreign insurance undertaking or a foreign reinsurance undertaking concerning the activity pursued by the applicant and the fulfilment of requirements in the scope of solvency;
12) certified by notary public copies of an identity card containing the identity card series and number, the name and surname, PESEL personal identification number, indication of the body issuing the identity card and the date of issue of the identity card or a certified by notary public copy of the passport – in the case of founders being natural persons;
13) the curricula vitae of founders being natural persons and persons assigned as members of the management board, members of the supervisory board and the actuary;
14) the approval of persons assigned as management board and supervisory board members to take up positions with the insurance undertaking and a declaration of the actuary on giving approval for the performance of duties with a domestic insurance undertaking;
15) attestation of appropriate education and business experience of the persons intended to be members of the management board and the supervisory board, including copies of the certificate of employment and documents confirming the education;
16) a certified copy of the decision entering the actuary in the register of actuaries;
17) data about the education and business experience of the person proposed as an actuary, including copies of the certificate of employment and documents confirming the education;
18) certificate of no criminal record or declaration of the persons proposed as members of the management board and supervisory board and the actuary;
19) a declaration of the founders and persons assigned as management board and supervisory board members about pending court proceedings against them, with respect to a business case;

20) declarations of the founders and persons assigned as management board and supervisory board members about their participation in the managing and supervisory boards of commercial companies;

21) declaration of the investment adviser about giving approval for employment - in the case of an application for issuing authorisation to pursue insurance activity in the scope of Section I class 3 of the Annex to the Act;

22) a list of claims representatives, to be established in every European Union Member State -in the case of an application to issue authorisation to pursue insurance activity in the scope of Section II class 10 of the Annex to the Act, except for the carrier's third party liability insurance;

23) a declaration of the founders on whether a domestic insurance undertaking will be a subsidiary of, or in which participation will be held by:

a) the insurance undertaking, reinsurance undertaking, credit institution or investment firm which received adequate authorisation to pursue activity in a European Union Member State ,

b) the parent entity of an insurance undertaking, reinsurance undertaking, credit institution or investment firm which received adequate authorisation to pursue activity in a European Union Member State,

c) a natural or legal person holding a significant participation in an insurance undertaking, reinsurance undertaking, credit institution or investment firm which has received adequate authorisation to pursue activity in a European Union Member State,

- with an indication of the names and addresses of the entities referred to in (a) to (c).

3a. The declarations referred to in par. 3 pt. 10 and 18 shall be filed under the pain of criminal liability for making false statements. The person filing the declaration shall be obliged to include the following clause in it: "I am aware of the criminal liability for making a false statement.". This clause replaces the authority's instruction about the criminal liability for making false statements.

4. The documents referred to in paragraph 3 should be prepared in Polish or translated into Polish. The translation should be performed by a sworn translator or a consul of the Republic of Poland. A consul of the Republic of Poland should legalise official documents, prior to their translation.

4a. The supervision authority may, in justified cases, in particular when the legislation of the competent country does not provide for the preparation of specific documents referred to in paragraph 3, abandon the requirement to submit documents, substituting them with a declaration of the applicant or the person whom it concerns.

5. The supervision authority may request the founders of the domestic insurance undertaking to provide information concerning their:

1) ownership structure;

2) financial situation;

3) previous activity.

Article 98

1. The authorisation to pursue insurance activity cannot be issued if at least one of the following circumstances occurs:

1) the application to issue authorisation and the documents attached thereto do not meet the requirements specified in the Act;

2) the membership of the management board or the supervisory board of the domestic insurance undertaking concerned includes persons who do not meet the requirements specified in the Act;

3) the founders of the domestic insurance undertaking have been convicted for a willful offence ascertained by a valid court sentence;

4) the founders of the domestic insurance undertaking do not provide a warranty to conduct the domestic insurance undertaking's matters in a manner duly protecting the interests of the policy holders, insured, beneficiaries or persons entitled under insurance contracts;

5) the founders of the domestic insurance undertaking do not prove the possession of funds in an amount equal to at least the initial fund and the values of the shares issued by the domestic insurance undertaking and determined in the scheme of operations;

6) the founders make use of material assets deriving from illegal or undisclosed sources;

7) the scheme of operations of the domestic insurance undertaking does not ensure the capacity of that domestic insurance undertaking to fulfil its obligations;

8) (repealed).

2. The authorisation to pursue insurance activity in the scope of Section II class 10 of the Annex to the Act, except for the carrier's third party liability insurance, cannot be issued if the domestic insurance undertaking does not present the list of claims representatives.

Chapter 12: Rules for pursuing insurance supervision

Article 208

1. The supervision authority may conduct the on-site inspection of the activity and financial state of an insurance undertaking.

2. Within the framework of the on-site inspection referred to in paragraph 1, the supervision authority may conduct, at any time, an on-site inspection of the activity and financial state of entities which perform insurance operations for and on behalf of an insurance undertaking, within the scope of these operations.

3. The on-site inspection of the activity and financial state of an insurance undertaking shall be carried out by employees of the Office authorised by the supervision authority, forming an on-site inspection team upon producing an identity card and submission of the authorisation to conduct the on-site inspection.

4. The employees referred to in paragraph 3, to the extent determined in the authorisation of the supervision authority, shall have the right to:

1) admission to all premises of the inspected insurance undertaking;

2) free access to a separate office room and means of communication;

3) have access to all documents of the inspected insurance undertaking, and to request copies, duplicates and excerpts of these documents;

4) have access to the data included in the information system of the inspected insurance undertaking and to request copies or excerpts of those data, including in electronic form;

5) have access to all documents of the insurance intermediary of the inspected insurance undertaking and to request copies, duplicates and excerpts of those documents;

6) demand oral or written requests of explanations, including in electronic form, from the persons employed under an employment contract, commission contract or remaining in another legal relationship of a similar nature with the insurance undertaking, and from insurance agents of the inspected insurance undertaking;

7) request the preparation of the required data, including in electronic form;

8) secure documents and other evidence.

5. (repealed).

Article 212

1. If an insurance undertakings does not, within the time-limit set, perform the decision referred to in Article 209 paragraph 2, or pursue activity in violation of the provisions of law, the articles of association, concluded insurance contracts or the scheme of operations, or do not provide information or explanations, the supervision authority may, by way of a decision:

1) impose fines on the management board members of the insurance undertaking or proxies, up to an amount equivalent to the triple average monthly salary from the last 12 months;

2) impose fines on the insurance undertaking up to the amount of 0.5% of gross written premiums collected by the insurance undertaking over the previous year, and in a case where that insurance undertaking has not pursued activity or the collection of the premium written has been below PLN 20 million, up to the amount of PLN 100,000;

3) suspend the management board members of the insurance undertaking until the examination of a motion for their recall at the next meeting of the authority authorised to recall them; suspension consists in the exclusion from taking decisions for the insurance undertaking, including with regard to its property rights and obligations;

4) request, from the competent body of any insurance undertaking or of the authorized entity, the recall of any member of the management board, or withdraw the power of proxy.

2. (repealed).

3. Earnings from the fines referred to in paragraph 1 (1) and (2) shall constitute revenue of the State Budget.

Act on Financial Market Supervision [2006, as amended in 2009]

Chapter 2: Organisation of Supervision over the Financial Market

Art. 5

1. The FSA shall be composed of a Chairperson, two Vice-Chairpersons and four members.

2. The members of the FSA shall be:

1) the minister competent for financial institutions or such minister's representative;

2) the minister competent for social security or such minister's representative;

3) the Governor of the National Bank of Poland or Deputy Governor of the National Bank of Poland delegated by the Governor;

4) a representative of the President of the Republic of Poland.

Art. 7

1. The FSA's Chairperson shall be appointed by the President of the Polish Council of Ministers for a five-year term of office from among persons who:

1) have Polish citizenship;

2) enjoy full civil rights;

3) have completed higher education in Law or Economics;

4) have relevant know-how in the area of supervision over the financial market in the Republic of Poland and professional experience gained in the course of academic work or work performed for entities operating on the financial market or for a financial market supervisory body;

5) have worked on managerial positions for no less than three years;

6) have not been convicted of an intentional offence or a fiscal offence;

7) enjoy an unblemished reputation and give a guarantee of correct performance of the tasks entrusted to them.

2. The FSA's Chairperson shall perform his (her) duties until the date of appointment of his (her) successor.

Art. 8

1. The President of the Polish Council of Ministers shall dismiss the FSA's Chairperson before the expiry of his (her) term of office only if the Chairperson:

1) has been convicted of an intentional offence or a fiscal offence by way a final and binding judicial decision, or

2) has resigned from the position, or

3) has lost Polish citizenship, or

4) has lost the ability to perform his (her) duties as a result of a prolonged illness, lasting more than three months.

2. The term of office of the FSA's Chairperson shall expire upon the Chairperson's death or dismissal.

Art. 15

The FSA's Chairperson, Vice-Chairpersons and members, as well as the employees of the FSA Office may not hold equity interests in entities which are subject to the FSA's supervision, except for holding shares admitted to organised trading within the meaning of the Act on Trading in Financial Instruments of 29 July 2005. They may not be members of such entities' governing bodies or be employed at such entities under an employment contract, a mandate contract, a piece work contract, an agency agreement or any other similar agreement, or perform any other actions which would be in conflict with their duties or which could give rise to a suspicion of partiality or selfinterest.

Art. 16

The FSA's Chairperson, Vice-Chairpersons and members, as well as the employees of the FSA Office or persons employed at the FSA Office under a piece-work contract, a mandate contract, or any other similar agreement, shall be bound by an obligation not to disclose to unauthorized persons any information which has confidential status under other statutes. This obligation shall continue after a person ceases to hold his or her position, or after the termination of the employment, piecework or mandate or any other similar agreement.

Art. 17

1. The Chairperson of the FSA and the Governor of the National Bank of Poland shall exchange information, including classified information, to the extent necessary for the performance of their statutorily defined responsibilities.

2. In order to define the rules of their cooperation and exchange of information, the Chairperson of the FSA and the Governor of the National Bank of Poland may enter into an agreement on cooperation and information exchange between the FSA and the National Bank of Poland.

3. Provisions of Art. 17 (1) shall apply accordingly to the exchange of information between the FSA and the European Central Bank.

4. Provisions of Art. 17 (1) and 17 (2) shall apply accordingly to the Bank Guarantee Fund and the Insurance Guarantee Fund.

Art. 17a

The Chairperson of the FSA may provide the Minister of Finance and the National Bank of Poland with information acquired by the FSA, including information protected under separate laws, necessary to pursue the objective of activity and tasks of the Polish Financial Stability Committee.

Chapter 3: Financing of the Financial Market Supervision

Art. 19

The expenses representing costs of the operations of the FSA and the FSA Office, in the amount specified in the budget act, including remuneration and bonus awards payable to the FSA's Chairperson and Vice-Chairpersons and the employees of the FSA Office shall be financed from the fees paid by the regulated entities, in the amount and on terms stipulated in the Acts referred to in Art. 1 (2).

Art. 20

1. Remuneration and bonus awards payable to the FSA's Chairperson and Vice-Chairpersons and the employees of the FSA Office should be established at a level ensuring efficient exercise of supervision over the financial market and the accomplishment of the purpose specified in Art. 2.

2. The President of the Polish Council of Ministers shall define, by way of a regulation, the manner of establishing the amount of funds to be appropriated for payment of remuneration and bonus awards to the FSA's Chairperson and Vice-Chairpersons, and determining the amount of such remuneration and bonus awards, as well as the manner of establishing the amount of funds to be appropriated for payment of remuneration and bonus awards to employees of the FSA Office, taking into account the organisation of the FSA and the FSA Office, within the scope of exercised supervision and the level of salaries in the regulated institutions.

Chapter 5: Transitional, Harmonising and Final Provisions

Art. 78

In the period from the effective date of this Act to 31 December 2007 the Financial Supervision Authority and the Banking Supervision Commission shall exchange information to the extent necessary to exercise supervision over the particular sectors of the financial market and over financial conglomerates, as well as in connection with cooperation with foreign regulatory authorities.

Act on Capital Market Supervision [2005, as amended in 2009]

Chapter 4: Audit and Explanatory Proceedings and Blocking of Accounts
Article 26

1. With a view to performing the Authority's responsibilities, authorised employees of the Office or, in the case referred to in Article 26.7, other persons, hereinafter referred to as the "inspectors", may carry out inspections concerning the activities or the financial standing of:

1) a regulated entity referred to in Article 5.1-6c and Article 5.8-15,

2) a third party commissioned, within the scope of the authorisation provided for by the applicable laws, by an entity referred to in Article 26.1.1 to perform certain actions which fall within the scope of the Authority's supervision,

- hereinafter referred to as the "inspected entity".

2. In the case of:

1) a branch of a foreign credit institution (as defined in the Act on Trading in Financial Instruments) conducting brokerage activities in the territory of the Republic of Poland, the inspection shall only cover the organisational unit which conducts such activities;

2) a foreign investment firm conducting brokerage activities in the territory of the Republic of Poland, the inspection shall only involve assessment of the compliance of the brokerage activities conducted in the territory of the Republic of Poland with the rules governing the provision of services defined in Polish law.

3. The powers connected with the inspections referred to in Article 26.1 may be exercised with respect to a branch of a brokerage house or a bank conducting brokerage activities which is situated in the territory of another Member State subject to a prior written notification by the Authority of the competent supervisory authority in the country where the branch of such brokerage house or bank is situated.

4. With respect to branches and representative offices of foreign investment firms operating in the territory of the Republic of Poland, the powers connected with the inspections referred to in Article 26.1 shall also be conferred upon the representatives of the supervisory authorities competent for the securities market or the financial market in another Member State in which such foreign investment firm has obtained the relevant authorisation, in accordance with the rules defined in the laws of such Member State. Such powers may be exercised subject to a prior written notification of the Authority.

5. At a written request of the supervisory authorities referred to in Article 26.4, the powers conferred upon such authorities with respect to a branch or a representative office of a foreign investment firm shall be exercised by the Authority or its authorized representative.

6. The representatives of supervisory authorities in other Member States in which foreign investment firms conducting brokerage activities in the territory of the Republic of Poland have obtained the relevant authorisations shall have, in connection with the exercise of the powers connected with inspections referred to in Article 26.1 with respect to branches and representative offices of foreign investment firms, the right toaccess information covered

by professional secrecy obligation which is held by such entities, and natural persons employed by such entities or bound by a legal relation under a mandate contract or any other legal relation of a similar nature with such entities.

7. The Chairman of the Authority may also authorise a person who is not an employee of the Office but who has the necessary knowledge in the respective areas to carry out inspections covering the operations of the inspected entity's IT systems, financial statements, accounting books or other financial documents and information.

Article 27

1. The subject of the inspection shall be compliance of the activities or the financial situation of the inspected entity, to the extent falling within the scope of the Authority's supervision, with the provisions of the law, the rules, the terms and conditions of authorisations, the principles of fair trading or the interests of the customers.

2. The scope of the inspection shall cover all or some specific issues related to the activities or the financial situation of the inspected entity.

3. The purpose of the actions undertaken by inspectors in the course of inspections (inspection activities) shall be to determine the actual state of affairs and document it in a reliable manner, making it possible to evaluate the correctness of the inspected entity's activities, and in the event of any irregularities to determine the extent of such irregularities, their causes and the persons responsible for their occurrence.

4. Inspection activities should be carried out without significant interference with the business activities of the inspected entity, and, in particular, shall not obstruct the timely performance of its obligations to third parties.

Article 27a

1. The inspection shall be ordered by the head of the organisational unit of the Authority which is responsible for conducting inspections.

2. The person ordering the inspection, referred to in Article 27a. 1, may, in cases justified by the nature of the inspection, notify the subject of the inspection in writing about the intended inspection not earlier than three days before the inspection activities take place, indicating the subject matter and the extent of the inspection in order to allow the inspected entity to collect or prepare documents, and to gather other necessary data and information, including the assurance of the presence of persons authorised to represent the inspected entity in the course of the inspection.

Article 28

1. Inspection authorisations shall be issued in writing by the Chairman of the Authority, who shall specify in such authorisation:

1) the legal basis of the inspection;
2) the designation of the inspection authority;
3) the date and place of issue;
4) first names, surnames and positions of the inspectors who are employees of the Office;

5) numbers of official identity cards of the inspectors who are employees of the Office;
6) the name of the inspected entity;
7) the place of the inspection;
8) the subject and scope of the inspection;
9) the date of commencement and the anticipated duration of the inspection;
10) information on the rights and obligations of the inspected entity.

1a. When the inspection is carried out by a person referred to in Article 26.7, the authorization referred to in Article 28.1 shall include the first name, the last name as well as the ID number of that person.

2. The inspected entity shall be promptly notified in writing if it proves necessary to extend the duration of the inspection or change its subject, scope or place.

3. The changes referred to in Article 28.2 shall require an appropriate amendment to the inspection authorisation, apart from the change of the place of the inspection in the case referred to in Article 32.3.

4. A separate authorisation shall be issued each time the persons authorised to carry out the inspection are replaced.

Article 29

1. The duration of an inspection may not exceed six months.

2. The authorisation to carry out an inspection shall be delivered to the inspected entity prior to the commencement of an inspection, however no later than on the date specified in Article 28.1.9.

3. An inspection shall commence on the date on which the authorisation to carry out an inspection is produced pursuant to Article 30.1, but not earlier than on the date specified in Article 28.1.9.

4. The day on which the last inspection activity is performed, immediately preceding the preparation of the inspection report, shall be deemed the day of the inspection completion. The inspected entity shall be promptly notified in writing of the inspection completion.

Article 30

1. The inspection shall be carried out by an inspection team comprising at least two inspectors, who shall show their authorisation and a service identification card or another identification document to the inspected entity or its authorised representative. The obligation to show the official identification card shall not apply to the persons referred to in Article 26.7.

2. In the absence of the inspected person or its authorised representative, the inspection may commence upon showing the service identity card to an employee of the inspected entity who may be regarded as the person referred to in Article 97 of the Act of 23 April 1964 – the Civil Code or to a witness called who is a public official not employed by theinspecting body. In such a case the authorisation shall be promptly sent to the inspected person; not later, however, than three days before the start of the inspection.

3. After the authorisation is produced and prior to the commencement of the first inspection activity, an inspector is also obliged to inform the person referred to in Article 30.1

of the rights and obligations of the inspected entity, the legal consequences of obstructing or preventing the inspection and the liability for providing misleading explanations or concealing the truth. Any person providing explanations may refuse to answer questions if the answer could expose such person or that person's relatives, as referred to in Article 83.1 of the Code of Administrative Procedure, to criminal liability or direct property damage.

4. The authorisation shall include a note of the information referred to in Article 30.3. The inspected person or the person authorised shall confirm having received the information by signing it.

5. If the case of a refusal to confirm the reception of the information referred to in Article 30.4, such a fact shall be indicated on the information note including the reasons for the refusal.

Article 31

1. An inspector shall be excluded from an inspection if the findings of such inspection might affect his or her rights or obligations, or the rights or obligations of the inspector's spouse or cohabiting partner, persons related through blood or marriage up to the second degree in kinship or persons related through adoption, custody or guardianship.

2. The grounds for excluding an inspector from an inspection shall continue to be effective even after termination of the marriage, cohabitation, adoption, custody or guardianship.

3. An inspector may also be excluded from an inspection on other grounds which may raise doubts as to the inspector's impartiality.

4. If the circumstances referred to in Article 31.1 and 31.3 occur in the course of an inspection, the inspector shall refrain from further activities and shall promptly notify the Chairman of the Authority. In such a case, until the order referred to in Article 31.5 is issued, the inspector excluded from the inspection may only undertake activities which are urgent due to the public interest or an interest of the inspected entity.

5. The exclusion from an inspection shall be ordered by the Chairman of the Authority, acting ex officio or at the request of the inspected entity or at the request of the inspector.

6. Upon excluding an inspector from an inspection, the Chairman of the Authority shall appoint another inspector to fill the vacancy on the inspection team.

7. For material reasons, the Chairman of the Authority may also change the composition of the inspection team in circumstances other than those specified in Article 31.1 and 31.3. The provisions of Article 31.6 shall apply accordingly.

Article 32

1. An inspection shall be carried out at the place where the inspected entity conducts its business, in particular at its head office, branch or representative office referred to in Article 116 of the Act on Trading in Financial Instruments, during the inspected entity's working days and business hours.

2. Where particularly justified by a threat to the security of trading, urgent inspection activities may be undertaken on non-working days or outside the business hours of the

inspected entity, subject to prior notification of the person authorised to represent the inspected entity.

3. Individual inspection activities may be undertaken outside the place specified in Article 32.1, in particular at the premises of the Office, if it is justified by the nature of such activities and can result in the inspection being carried out more quickly and effectively.

4. The inspector shall have the right to enter the places and premises referred to in Article 32.1 and to inspect books, documents or other information carriers.

5. At the inspector's request, persons who are members of the inspected entity's governing bodies or are bound by a legal relation under an employment contract, a mandate contract or another legal relation of a similar nature with the inspected entity, shall promptly prepare and deliver, at the expense of the inspected entity, copies of documents or other data carriers, and shall provide written or oral explanations, within the timeframe specified in the request.

6. The inspected entity shall ensure appropriate conditions for the inspector to be able to carry out the inspection in an efficient manner, and in particular it shall promptly provide the inspector with any requested books, documentation or other information carriers, and shall give explanations in due time. The inspected entity shall enable the inspectors, as far as possible, to use its technical equipment to facilitate the inspection activities, and, subject to Article 35, shall provide a separate room with appropriate equipment.

6a. Pursuant to Article 32.6.2, the inspectors may prepare, on their own, copies of documents and other information carriers examined in the course of the inspection.

6b. Inspectors may require the inspected entity to prepare collations of data and information from the documents and media mentioned above, setting an appropriate deadline for their submission.

6c. A report shall be drafted in two copies, and one copy handed to the inspected entity, on the submission of materials, referred to in Article 32.5 and 32.6b, and the collection of materials, referred to in Article 32.6a. The inspector and the person providing the materials shall initial each page and sign the report.

6d. If the report referred to in Article 36.6c is refused to be signed, a note of that shall be included in the report along with the explanation of the reasons for the refusal.

7. To the extent justified by the subject of the inspection, the inspector may freely move around the places and premises referred to in Article 32.1 without the need to obtain a pass, and cannot be searched.

8. The inspection shall not, as far as possible, interrupt the work of the inspected entity.

Article 33

1. In the course of the inspection, the Chairman of the Authority may order a seizure of any document or other information carrier necessary for further proceedings.

2. A person in charge of a document or other information carrier subject to seizure shall be requested to release it voluntarily, and if that person refuses to do so, that document or other information carrier may be seized in accordance with the administrative enforcement procedure.

3. All released or seized information carriers shall be itemised in a list and described, and a report on the seizure of such information carriers shall be prepared, whereupon such information carriers shall be secured by the inspectors against damage or disfiguration.

4. The report on the seizure of information carriers should specify the case with respect to which the seizure was made, the time of commencement and completion of the seizure, and a list of the seized carriers together with their description. The report shall be signed by the inspector who performed the seizure and the person authorised to represent the inspected entity. If the person authorised to represent the inspected entity refuses to sign the report, an appropriate note shall be made.

5. Persons whose rights are infringed as a result of the seizure shall have the right to lodge a complaint against the order to seize documents or other information carriers. The complaint shall be considered by the Authority within seven days. The execution of a seizure order shall not be suspended by the fact that a complaint has been lodged.

6. Information carriers which are not necessary for further proceedings shall be promptly returned to the entitled entity.

Act on Payment Services [2011]

Part 1: General Provisions

Article 4

1. Operations in the area of provision of payment services may be performed only by payment service providers, referred to hereinafter as "providers".

2. A provider may only be:

1) a domestic bank within the meaning of Article 4 paragraph 1 point 1 of the Banking Law;

2) a branch of a foreign bank within the meaning of Article. 4 paragraph 1 point 20 of the Banking Law;

3) a credit institution within the meaning of Article 4 paragraph 1 point 17 of the Banking Law or a branch of a credit institution within the meaning of Article 4 paragraph 1 point 18 of the Banking Law;

4) an electronic money institution within the meaning of Article 2 point 5 of the Act on Electronic Payment Instruments;

5) a branch of an entity that provides in a Member State other than the Republic of Poland, in accordance with the law of that state, postal payment services and is authorised in accordance with the law of that state to provide payment services and also Poczta Polska Spółka Akcyjna [the Polish Post Office] insofar as separate regulations authorise it to provide payment services;

6) a payment institution;

7) the European Central Bank, the National Bank of Poland, referred to hereinafter as the "NBP", and the central bank of another Member State if

they are not acting in their capacity as monetary authority or organ of public administration;

8) an organ of public administration;

9) a cooperative savings and credit union or the National Cooperative Savings and Credit Union within the meaning of the Act on Cooperative Savings and Credit Unions of 14 December 1995 (Journal of Laws 1996 No. 1 item 2, as amended7)), referred to hereinafter as the "Act on Cooperative Savings and Credit Unions" insofar as separate regulations authorise them to provide payment services, referred to hereinafter as "savings and credit unions";

10) a payment service office.

3. Domestic payment institutions, payment service office, agents and branches of such entities, as well as savings and credit unions and their affiliates, are subject to registration in the registry of domestic payments institutions and other providers, referred to hereinafter as the "register".

4. The expression "payment services" as description of business undertaken, including as part of a name (or brand) or in advertising, may be used only by payment service providers.

5. The only entities allowed to use in their name (or brand) the expressions

1) "payment institution" - are payment institutions;

2) "payment service office" – are payment service offices.

Article 14

1. Supervision of the implementation by providers identified in Article 4 paragraph 2 points 1-5 and 9 of activities in the area of payment services in accordance with the Act, and of payment services in euro also in accordance with Regulation (EC) No 924/2009 of the European Parliament and Council of 16 September 2009 on Cross-border Payments in the Community and Repealing Regulation (EC) No 2560/2001 (Official Journal of the European Union L 226, 9 October 2009 p. 11) is exercised by the authorities competent to exercise of supervision over those entities.

2. Supervision of the implementation by providers identified in Article 4 paragraph 2 points 6 and 10 of activities in the area of payment services in accordance with the Act, and of payment services in euro also in accordance with Regulation (EC) No 924/2009 of the European Parliament and Council of 16 September 2009 on Cross-Border Payments in the Community and Repealing Regulation (EC) No 2560/2001, is exercised by the PolishFinancial Supervision Authority, referred to hereinafter as the "PFSA".

Part IV: Domestic Payment Institutions

Section 1: Taking Up and Pursuit of Business by Domestic Payment Institutions

Article 60

1. The provision of payment services as a domestic payment institution requires the authorisation of the PFSA.

2. Authorisation may be granted to a legal person with its registered office on the territory of the Republic of Poland, upon its application.

Section 4: Use by a Domestic Payment Institution of the Services of Agents and the Outsourcing of the Performance of Certain Operational Functions to Other Entities
Article 85

1. A domestic payment institution shall notify the PFSA in writing of its intent to provide payment services through the intermediation of an agent and shall submit a request for entry of the agent in the register.

2. The notification spoken of in paragraph 1 should include:

1) the forename and surname or name (or brand) of the agent;

2) the registered office and address or place of residence and address and the address of the principal place of business of the agent;

3) a description of the internal control mechanisms related to the prevention of money laundering and the financing of terrorism in accordance with the Act on Combating Money Laundering; and

4) the names, surnames and functions of the persons responsible for management of the agent.

Part V: The Taking Up and Conduct of Business in the Territory of a Host Country by a Payment Institution
Article 97

1. An EU payment institution may commence performing payment services on the territory of the Republic of Poland through a branch or through the intermediation of an agent one month after the date of receipt by the PFSA from the competent supervisory authorities of the home Member State of the following information:

1) the name (or brand) of the branch or the forename and surname or names (or brand) and address on Polish territory of the agent at which it will be possible to obtain documents concerning its activities;

2) a description of the organisational structure of the branch and a description of internal control mechanisms concerning obligations relating to the branch's or the agent's combatting money laundering and the financing of terrorism;

3) the forenames and surnames of those responsible for management of the branch or of the business of an agent, and

4) a schedule of the payment services which the EU payment institution intends to provide on the territory of the Republic of Poland.

2. An EU payment institution shall notify the PFSA of its intention to alter the information spoken of in paragraph 1 at least one month before the alteration is made. Alterations are binding from the date of receipt by the PFSA from the competent supervisory authorities of the home state of notification that confirms that those authorities have been notified of the alterations' being made.

3. The PFSA shall inform the competent supervisory organs of the home Member State if the PFSA has reasonable grounds to suspect that the intended provision of services by an EU payment institution through the branch or through an agent is connected to the commission of an offence or to an offence that has been committed, that offence being spoken of in Article 165a or Article 299 of the Penal Code, or an attempt to commit such an offence has been made or committing such an offense is intended, or the commencement of

the provision of services by the branch or through the intermediation of an agent could increase the risk of money laundering or financing of terrorism.

Part VI: Supervision of Domestic Payment Institutions and of Branches of EU Payment Institutions

Article 103

1. The PFSA may conduct an inspection of the activities and the financial situation of a domestic payment institution.

2. As part of the inspection spoken of in paragraph 1 the PFSA may also perform an assessment of the activities and the financial situation of an agent through the intermediation of which the payment institution provides payment services or of an entity that carries out operational functions on the basis of a contract as spoken of in Article 86 paragraph 1. If the inspection spoken of in paragraph 1 does not make it possible to establish everything that is necessary for assessment of the activities or the financial situation of an agent or an entity that carries out operational functions on the basis of a contract as spoken of in Article 86 paragraph 1, then inspection operations may be conducted directly in the agent or the entity that carries out operational functions on the basis of a contract as spoken of in Article 86 paragraph 1 as part of a separate inspection.

3. Control operations shall be performed by employees of the Office of the PFSA after presentation of a PFSA identification card and service of an authorisation issued by the Chairman of the PFSA or by a person authorised by him.

4. The employees spoken of in paragraph 3, in the area specified in the authorisation, shall have the right to:

1) enter the premises of the entity being inspected;

2) free access to separate office accommodation and to communications facilities;

3) examine documents of the entity being inspected and to require the making of copies and extracts from those documents; and

4) examine data contained in the IT system of the entity being inspected and require the making of copies or extracts from those data, including in the form of electronic documents.

5. The regulations of Section 5 of the Act on Freedom of Economic Activity apply to an inspection of the entrepreneur’s commercial activity.

Article 104

1. The PFSA on each occasion shall inform the competent supervisory body of the host Member State of its intension to perform an inspection at the premises of an entity being inspected on the territory of the host Member State.

2. The PFSA may delegate to the competent supervisory authorities of the host Member State the task of carrying out inspections at the premises of the entities spoken of in Article 109.

3. The regulations of Article 103 shall apply to branches of EU payment institutions and their agents operating within the territory of the Republic of Poland if it is agreed with the

competent supervisory authorities of the home Member State that an inspection is to be carried out by the PFSA.

Article 105

1. If it is determined that a domestic payment institution is not meeting or is improperly meeting its obligation to supply the information spoken of in Article 102 paragraph 1 point 1 or to supply the information spoken of in Article 102 paragraph 1 point 2 has not implemented within the prescribed period the recommendations spoken of in Article 102 paragraph 1 point 3, is making it difficult or impossible to carry out an inspection as spoken of in Article 103, or is not implementing the instructions specified in Article 102 paragraph 1 points 4 and 5, and also if the business of a domestic payment institution is conducted in violation of the law or threatens the interests of users, the PFSA, subject to Article 106, may:

1) request that an organ of the domestic payment institution dismiss the manager who is directly responsible for the irregularities found;

2) suspend the exercise of his functions by the manager spoken of in point 1, pending the adoption by the domestic payment institution's organ at its next meeting of a resolution on the request for his dismissal; suspension of the exercise of his functions means exclusion from the making of decisions for the domestic payment institution in regard of its ownership rights and obligations;

3) limit the area of activities of the domestic payment institution or of its organizational units;

4) impose on the manager who is directly responsible for the irregularities found a monetary penalty of up to three times the gross monthly remuneration of that person, calculated on the basis of his average gross remuneration for the last three months before the imposition of the penalty;

5) impose on the domestic payment institution a monetary penalty of up to PLN 1,000,000; or

6) withdraw the authorisation spoken of in Article 60 paragraph 1.

2. In setting the amount of the penalty spoken of in paragraph 1 point 5 the PFSA shall take into account in particular the nature and the gravity of the infringement, the size of business conducted and the financial situation of the domestic payment institution.

3. The regulation of Article 2 shall apply mutatis mutandis to setting the amount of the penalty spoken of in paragraph 1 point 4.

4. Application of the measures spoken of in paragraph 1 points 2-6 shall take place by the issue of a decision. Decisions in the matters spoken of in paragraph 1 points 2, 3 and 6 shall take effect immediately.

5. A decision by the PFSA to limit the area of activities may include conditions and time limits and a decision to impose a monetary penalty shall set a time limit for payment of the penalty.

6. The PFSA may also suspend the exercise of his functions by a manager if:

1) he is charged with a crime or with a tax offence; or

2) he causes significant losses to the domestic payment institution.

7. The PFSA shall immediately inform the competent supervisory authorities of a Member State in which the domestic payment institution conducts cross-border activities or

operates through an agent or a branch if it withdraws the authorisation spoken of in Article 60 paragraph 1.

Article 107

1. If an EU payment institution or its agent, conducting business on the territory of the Republic of Poland, breaches the regulations of Polish law the PFSA:

1) shall call on the institution in writing to comply with the regulations of Polish law and set a time limit for rectification of irregularities that have been found; and

2) if the time limit set in the call spoken of in paragraph 1 expires without effect, shall notify the competent supervisory authorities of the home Member State of the irregularities found.

2. If the breach of the regulations of Polish law concerns the regulations of parts II and III, then after the expiry without effect of the time limit set in the call spoken of in paragraph 1 point 1, the PFSA may apply the measures spoken of in Article 105 paragraph points 1 and 3, and notify the competent supervisory authorities of the home Member State of the irregularities found and the measures taken.

3. If, despite the application of supervisory measures by the competent supervisory authorities of the home Member State, an EU payment institution or its agent conducting business on the territory of the Republic of Poland still does not comply with the regulations of the Act, the PFSA may apply mutatis mutandis the measures spoken of in Article 105 paragraph 1 points 1, 3 and 4.

4. The regulation of Article 3 shall also apply in cases where:

1) the measures taken by the competent supervisory authorities of the home Member State prove insufficient given the infringements or impossible to apply on the territory of the Republic of Poland; or

2) the competent supervisory authorities of the home Member State, without justification, refuse to apply supervisory measures or unreasonably delay their application.

5. If application of the procedure spoken of in paragraph 1 would result in excessive delay which could directly endanger significant interests of users, the PFSA may apply mutatis mutandis the measures spoken of in Article 105 paragraph 1 points 1, 3 and 4 while omitting that procedure.

6. In the circumstances spoken of in paragraphs 3 and 5 the PFSA shall notify the competent supervisory authorities of the home Member State of the supervisory measures taken.

7. The regulations of Article 127 § 3 of the Code of Administrative Procedure of 14 June 1960 shall not apply to decisions of the PFSA issued on the basis of paragraphs 2-5.

8. An EU payment institution may appeal to the administrative court against the decision of the PFSA spoken of in paragraphs 2-5 within seven days of being notified of the decision.

Part VIII: The Register of Domestic Payment Institutions and Other Providers

Article 133

1. The PFSA shall maintain a register in an IT system.

2. The register shall be public and accessible to third parties through the website of the PFSA.

3. The register shall consist of parts relating to:

1) domestic payment institutions, their agents and their branches;

2) savings and credit unions and their branches; and

3) payment service offices, their agents and branches.

Article 139

1. Domestic payment institutions, payment service offices and savings and credit unions are obliged to ensure the conformity of information entered at their request with the factual state of affairs.

2. The entities spoken of in paragraph 1 are obliged to inform the PFSA about every change in the information contained in an entry in the register no later than 14 days after the date on which they obtain information about the change, by submitting an appropriate request.

3. In the event of a breach of the obligation spoken of in paragraph 2 the PFSA may impose on the entity spoken of in paragraph 1 a monetary penalty not exceeding PLN 500 for each day of delay and of no more than PLN 100,000; the regulations of Article 105 paragraphs 2, 4 and 5 and Article 116 apply mutatis mutandis.

Part IX: Civil and Criminal Liability
Section 2: Penal Provisions
Article 150

1. A person who engages in activities in the area of provision of payment services without being a provider shall be subject to a fine of up to PLN 5,000,000 or to imprisonment for up to two years or to both penalties together.

2. An unauthorised person who uses in his name (or brand) or to specify the commercial activity performed or in advertising the terms "payment services", "payment service office" or "payment institution" shall be subject to the same penalty.

3. A person who commits the offence specified in paragraphs 1 or 2 in the name of or for the benefit of a natural person, a legal person or an organisational unit that is not a legal person on which the law confers legal capacity shall be subject to the same penalty.

Gambling Law [2009, as amended in 2011]

Chapter 2: Organisation of Gaming
Article 11

The activity as set forth in Article 6 s. 1 through 3 hereof can be conducted provided that:

1) shareholders representing shares in the value exceeding one-hundredth of the share capital of the company or members of the management board, supervisory board or audit committee are natural persons, legal persons or

companies without legal personality, in respect whereof there are no justified reservations present relating to the security of the state, public order or safety of economic interests of the state;
2) members of the management board, supervisory board or audit committee have Polish citizenship or a citizenship of a Member State of the European Union, a Member State ofthe European Free Trade Association (EFTA) – a party to the European Economic Area Agreement – or the Organisation for Economic Cooperation and Development; 3) there are no proceedings against the persons referred to in s. 1 hereabove underway before the justice authorities concerning the offences set forth in Article 299 of the Penal Code of 6 June 1997 (Journal of Laws No. 88, item 553, as amended4), hereafter referred to as “the Penal Code”.

Article 15b

1. Entities operating games in casinos must install at the casino an audiovisual system of games control used for controlling the course of the game and for operating it, including the possibility of settling doubts as to the games being operated and verifying the correct indication of results, the settlement of chips and cash at the cash desk, the issue of statements on winnings and the keeping of records of paid out (issued) winnings, as wellas the possibility of controlling and verifying persons entering the casino with the use of audiovisual signal recording.

2. Audiovisual signal recording is made available exclusively to customs officers, treasury inspectors and game participants lodging a complaint – covering the scope relating to these participants, as well as court and prosecutor in connection with pending court proceedings. The data is made available free of charge.

3. Audiovisual signal recordings are stored for a period of 3 years, starting from the end of the calendar year, in which the registration took place.

4. Audiovisual signal recordings should be permanent and legible. The manner in which the audiovisual signal recording is made and the storing of it should protect the recording against destruction, modification and concealment.

5. The Minister of Public Finance defines, by way of a regulation, the detailed conditions of installing and using the system, referred to in s. 1, taking into account in particular the need to guarantee the possibility of reproducing the course of each game.

Chapter 4: Gaming Limitations

Article 30

1. It shall be forbidden to organise poker in casinos, in which participants play with one another, with the reservation of organising poker tournaments under the granted permit.

2. Granting of a permit to organise a poker tournament shall be subject to the participation of at least 10 players in the tournament.

3. The entity organising a poker tournament shall present the authority granting the permit thereto within 25 days of the month following the month during which the tournament was finished with a detailed report of tournament winners and settlement of the gaming tax.

Chapter 5: Licences, Permits and Notifications

Article 32

1. A casino operating licence shall be granted by the Minister of Public Finance.

2. Cash bingo hall operating permits, betting operating permits and permits to organise a poker tournament shall be granted by the Minister of Public Finance.

3. The permits to organise raffle lotteries, audiotele lotteries, raffle bingo or promotion lotteries to be organised within the territorial jurisdiction of one director of the customs chamber shall be granted by the director of the customs chamber within whose territorial jurisdiction those games are organised and operated.

3a. The notification of raffle lottery or raffle bingo whose pool of winnings does not exceed the base amount, referred to in Article 70, organised within the territorial jurisdiction of one head of customs office, shall be made to the head of customs office within whose territorial jurisdiction such games are organised and operated. [enters into force on 30 June 2012]

4. The permits to organise raffle lotteries, audiotele lotteries, raffle bingo or promotion lotteries to be organised within the territorial jurisdiction of more than one director of the customs chamber shall be granted by the director of the customs chamber competent for the place of residence or the registedred office of the applicant.

4a. The notification of raffle lottery or raffle bingo whose pool of winnings does not exceed the base amount, referred to in Article 70, organised within the territorial jurisdiction of more than one head of customs office, shall be made to the head of customs office within whose territorial jurisdiction the applicant's place of residence or registered office is located. [enters into force on 30 June 2012]

5. Article 143 of the Tax Ordinance Act of 29 August 1997 shall not apply to the proceedings to grant a casino operating licence.

6. The provisions of the Law on the Freedom of Conducting Business Activity of 2 July 2004 (Journal of Laws of 2007 No. 155, item 1095, as amended6) shall not apply to the proceedings to grant, refuse to grant, amend or cancel a casino operating licence.

7. The Minister of Public Finance shall define, by way of a regulation, the territorial jurisdictions of directors of customs chambers to grant permits to organise raffle lotteries, audiotele lotteries, raffle bingo or promotion lotteries, taking into account the need to perform the tasks efficiently.

8. The appropriate Minister of Public Finance defines, by way of a regulation, the territorial jurisdiction of the heads of customs offices to whom the notifications of raffle lottery or raffle bingo whose pool of winnings does not exceed the base amount, referred to in Article 70, shall be made, taking into account the need to perform the tasks efficiently. [enters into force on 30 June 2012]

Article 33

1. When an application is filed for a licence or permit whose quantity is subject to limitation, the Minister of Public Finance shall publish on the Internet site of this minister's office the information that the application has been filed where the name of the entity, the subject of the application and the town concerned shall be indicated.

2. When a licence or permit whose quantity is limited is requested by more than one entity fulfilling the requirements set forth herein, the Minister of Public Finance shall announce and conduct a tender procedure.

3. To conduct the tender procedure, the Minister of Public Finance shall appoint a tender commission consisting of at least 3 persons from among the employees of this minister's office or customs officers doing service at this office.

4. The Minister of Public Finance shall declare the tender procedure null and void by way of a decision, if the regulations or the public interest has been seriously violated.

5. The Minister of Public Finance shall define by way of a regulation the specific terms and conditions of the tender procedure, in particular considering that:

1) the manner of tender announcement ensures proper notification of the entities concerned;

2) the terms and conditions of participation in the tender do not exclude therefrom entities fulfilling the requirements that condition the obtaining of a licence or permit;

3) the bid assessment should be impartial and transparent, and should not discriminate against any bidder.

Article 34

Only entities who document that:

1) their capital originates from legal sources;

2) they do not have arrears in the payment of taxes being the income of the state budget or customs duties;

3) they do not have arrears in the payment of social security contributions or health insurance contributions can apply for a licence or permit.

Article 59

The authority competent to grant a licence or permit may cancel by way of a decision the same in the entirety or in part, if:

1) the factual circumstances or the legal status not compliant with the provisions governing the activity subject to a licence or permit or the terms and conditions set forth in the licence, permit or game rules have not been eliminated in due time;

2) the terms and conditions set forth in the licence, permit or game rules or other terms and conditions of activity a licence or permit was granted for as set forth by the provisions have been seriously violated;

3) the share capital of the company has been lowered beneath the level set forth in Article 10 s. 1 hereof;

4) the activity subject to a licence or permit has been discontinued or suspended for the period of more than 6 months, unless non-performance of activity is the consequence of force majeure;

5) a person being a shareholder, a member of the management or supervisory authorities of the company has been convicted of the offence set forth in Article 299 of the Penal Code;

6) the fact that an underage person participated in gaming has been stated twice in respect to one gaming centre or a bet making point.

Law on Barristers [1982, as amended in 2009]

Section I: General provisions

Article 3 [Duties of the self-governing body]

1. The duties of the barristers' corporation are as follows:

1) creating conditions for the performance of statutory tasks of the barristers;

2) representing the barristers and protection of their rights;

3) maintaining supervision in terms of the observance of the rules regulating performing barrister's activity;

4) developing professional skills and educating articled clerks;

5) determining and promoting professional ethics and ensuring their observance;

6) managing and disposing of the barristers' assets.

2. The Minister of Justice supervises the operation of the corporation within the scope and in forms specified in the Act.

Article 6 [Professional secret]

1. A barrister is obliged to maintain secret in respect to everything he/she has learned in the course of providing legal assistance.

2. The duty of maintaining professional secret cannot be limited in time.

3. A barrister cannot be relieved from the duty of maintaining professional secret regarding facts he/she has learned in the course of providing legal assistance or whilst running a case.

4. The duty of maintaining professional secret does not apply to information made accessible pursuant to the Act of 16 November 2000 on Counteracting Money Laundering and Terrorism Financing (Journal of Laws of 2003 No. 153, item 1505, as amended) - within the scope specified in these provisions.

Section VIII: Disciplinary Liability

Article 81 [Penalties]

1. Disciplinary penalties are as follows:
   1) admonition;
   2) reprimand;
   3) pecuniary fine;
   4) suspension from the performance of professional duties for a period from three months to five years;
   5) (repealed)
   6) expulsion from the barristers.

2. Along with a reprimand and a fine, a barrister can be additionally prohibited to act as a patron for a period from one to five years.

3. A barrister suspended from performing professional duties is also prohibited to act as a patron for a period from two to ten years.

4. A reprimand and a fine entail the loss of the passive voting right to the barrister's corporation body for a period of three years following the day the judgment enters into force.

5. A suspension from performing professional duties entails the loss of the passive and active voting rights to the barrister's corporation body for a period of six years following the day the judgment enters into force.

6. The disciplinary court can rule for rendering the content of the judgment publicly accessible within the barristers' environment by means of publishing it in the magazine published by a barrister's body.

Law on Legal Advisers [1982, as amended in 2010]

Chapter 1: General provisions

Article 3 [Qualifications; professional secret]

1. The activities of legal adviser can be performed by any person complying with the requirements specified in this Act.

2. A legal adviser shall practise his/her profession with diligence resulting from legal knowledge and the rules of professional ethics.

3. A legal adviser is obliged to maintain secret in terms of everything he/she has learned in the course of providing legal assistance.

4. The obligation to maintain professional secret cannot be limited in time.

5. A legal adviser cannot be relieved from the duty of confidentiality regarding facts he/she has learned in the course of providing legal assistance or whilst running a case.

6. The duty of confidentiality does not apply to information made accessible pursuant to the Act of 16 November 2000 on Counteracting Money Laundering and Terrorism Financing (Journal of Laws of 2003 No. 153, item 1505, as amended) – within the scope specified in these provisions.

Article 5 [Professional corporation]

1. Legal advisers are organised as a professional self-governing body, hereinafter referred to as the "corporation".

2. The organisational units of the corporation having a legal personality are District Councils for Legal Advisers and the National Council for Legal Advisers.

3. The Minister of Justice supervises the operation of the corporation within the scope and in forms specified in the Act.

Act on Public Benefit and Volunteer Work [2003, as amended in 2010]

Section I: General provisions

Article 3

1. Public benefit work shall mean work performed to the benefit of society by non-governmental organisations in the area of public tasks as set out herein.

2. Non-governmental organisations are:

   1) entities which do not form part of the public finance sector as defined in the Act on Public Finance;

   2) which do not operate for profit – corporate and non-corporate entities, which according to separate legal provisions have capacity to perform acts in law, such as foundations and associations, subject to para 4.

3. Public benefit work may also be effected by:

1) corporate entities and entities acting pursuant to provisions on relations between the State and the Catholic Church in the Republic of Poland, on relations between the State and other churches and religious unions, and on the guaranteed freedom of conscience and religion, should their statutory objectives encompass public benefit work;

2) unions of local self-government units;

3) social co-operatives;

4) joint stock companies, limited liability companies, and sport clubs operating as companies under the provisions of the Act of 18 January 1996 on Physical Culture (Dz.U. of 2007, No 226, item 1675, as amended1), which: – do not operate for profit and allocate all of their profit to perform their statutory objectives, and they do not divide their profit between their members, shareholders, stockholders or employees;

3a. The provisions of article 7 and articles 19b to 41i shall not apply to social co-operatives.

4. The provisions of Section II shall not apply to:

1) political parties;

2) trade unions and organisations of employers;

3) professional self-governing authorities;

4) (repealed);

5) foundations formed by political parties;

6) (repealed).

5. Section II Chapter 2 provisions shall not apply to any work relating to patronage bestowed to the Polish community and Poles abroad, financed with the aid of budget funds in their part assigned to the Head of the Senate Chancellery.

6. (repealed).

Chapter 3: Public benefit organisations

Article 20

1. Public benefit organisations shall include non-governmental organisations and entities referred to in Article 3 para 3 subparas 1 and 4, subject to Article 21, provided that they conform to all of the requirements listed below:

1) they perform public benefit work to the benefit of the entire society or of a specific group of individuals provided that such group can be distinguished from the society due to difficult living conditions or financial situation;

2) they may pursue business activity solely as an activity auxiliary to public benefit work;

3) their income is allocated to the work referred in subpara 1;

4) they have a statutory collegial audit or supervision body, separate from the management body and not reporting thereto in matters related to internal audit or supervision; concurrently, the members of such audit and supervision body:

a) shall not be members of the management body; furthermore, they shall not be spouses, domestic partners, relations, next of kin, or employment subordinates of members of the management body;
b) shall not have been convicted by virtue of a final court judgement for any crime involving intentional fault or for a tax offence;
c) may, for the performance of duties in such a body, be reimbursed for any reasonably incurred costs, or be remunerated at a rate not exceeding the average monthly remuneration in the corporate sector announced for the previous year by the President of the Central Statistical Office;

5) members of the management body have not been convicted by virtue of a final court judgement for any crime involving intentional fault or for a tax offence;

6) the statutes or other internal documents of non-governmental organisations or entities referred to in Article 3 para 3 subparas 1 and 4, prohibit the following:

a) granting loans or pledging the organisation's property to secure any financial liabilities of such organisation's members, members of management bodies, employees, or their spouses, domestic partners, next of kin or relations in lineal or collateral affinity thereto, or persons related to them on the basis of adoption, custody or guardianship, all of whom jointly referred to as "relatives";
b) the transfer of the organisation's property to its members, members of its management bodies, employees or their relatives under terms and conditions other than those applying to unrelated third parties, in particular should such transfer be free of charge or on preferential terms;
c) the use of the organisation's property to aid its members, members of its management bodies, employees or their relatives under terms and conditions other than those applying to unrelated third parties, unless such use stems directly from the statutory objectives referred to in Article 3 para 3 subparas 1 and 4;
d) the purchase of goods or services from entities with which such organisation's members, members of management bodies, employees or their relatives are involved, under terms and conditions other than those applying to unrelated third parties or at prices that are higher than market prices.

2. In the case of associations, the work referred to in para 1 subpara 1 shall not be performed solely to the benefit of members of such association.

Article 21

In the case of entities referred to in Article 3 para 3 subparas 1 and 4:

1) public benefit work defined in Article 20 para 1 subpara 1 shall be managed in a manner ensuring proper identification in organisational and accounting terms;
2) provisions of Article 20 para 1 subpara 3 shall apply to income generated in public benefit works;
3) provisions of Article 20 para 1 subpara 4 shall apply accordingly in recognition of detailed organisational and operational rules for such institutions, regulated in relevant provisions, including statutes or other internal documents.

Article 23

1. A public benefit organisation shall draft annual performance reports describing its activities, subject to separate legal provisions.

1a. Entities referred to in Article 3 para 3 subpara 1, which have a public benefit organisation status, shall draft performance reports relating to the separated public benefit work only and shall then make such report public in the manner enabling any stakeholders to gain access thereto.

2. A public benefit organisation shall draft annual financial statements, pursuant to the provisions of the general accounting regulations.

2a. A public benefit organisation shall make the reports, referred to in paras 1 and 2, public in the manner enabling any stakeholders to gain access thereto, including publishing those reports on its website.

2b. Entities referred to in Article 3 para 3 subpara 1, which have a public benefit organisation status, shall draft financial statements relating to the separated public benefit work only.

3. (repealed).

4. Regardless of any obligations arising from separate legal provisions, a public benefit organisation shall submit the report and statements to the minister competent for social security within 15 days from the date of approval of the annual financial statements.

5. With regard to public benefit organisations, the financial statements of which do not require auditing in accordance with accounting regulations, the minister competent for public finance, acting jointly with the minister competent for social security, may introduce such obligation by virtue of a regulation, in recognition of the following:

1) the overall value of grants received;

2) the overall amount of income generated;

3) the need to ensure monitoring of bookkeeping integrity.

6. Within 15 days from the date of approval of the annual financial statements, a public benefit organisation shall publish the financial statements and performance report on the website of the office of the minister competent for social security.

7. To publication of annual financial statements of public benefit organisations, accounting regulations shall apply accordingly.

8. By way of regulation, the minister competent for social security shall specify the scope of the report referred to in para 1, including in particular main information on the public benefit work performed by the public benefit organisation during the reporting period and on disbursement of funds received as 1% of personal income tax, as well as a sample report allowing assessment of the level of implementation of statutory objectives by the public benefit organisation.

Chapter 4: Supervision

Article 28

1. Operations of a public benefit organisation shall be supervised by the minister responsible for social security, with respect to rights, responsibilities and requirements set out in Articles 8-10, Article 20, Article 21, Article 23, Articles 24-27 and Article 42-48.

2. (repealed).

Article 29

1. A public benefit organisation shall be subject to supervision by the minister responsible for social security within the scope defined in Article 28 para 1.

2. An audit procedure shall be announced ex officio by the minister responsible for social security, or upon request by a public administration authority, a non-governmental organisation or entities listed in Article 3 para 3.

3. The competent minister for social security may have the audit procedure carried out by:

1) the minister responsible for the operations of public benefit organisations, provided that this has been agreed with them;

2) a Voivode.

4. The audit procedure shall be carried out by individuals granted a personal authorisation by the competent minister for social security which shall determine the public benefit organisation to be audited and the legal basis for the audit. If the audit procedure is conferred to one of the authorities, referred to in para 3, the written authorisation shall be issued by this authority.

Law on Foundations [1984, as amended in 1991]

Article 7

1. The foundation acquires legal entity once it is entered in the Registry of Foundations.

2. The Registry of Foundations is maintained by the District Court for the capital city of Warsaw, hereinafter referred to as "the court."

3. The registry is public and accessible to third parties.

4. The minister of justice issues executive orders defining the guidelines and procedure in matters concerning the Registry of Foundations, the data subject to recording in that registry, the procedure for maintaining it, and the specific guidelines for providing access to it.

Article 12

1. The consonance of the activities of a foundation with the provisions of laws and its statute and the purposes for which it was established is decided upon by the court in nonlitigious proceedings upon the application of the proper minister or voivode.

2. The foundation submits annual reports on its activities to the proper minister the framework scope of these activities shall be defined by the minister of justice.

3. The reports referred to in Paragraph 2 should be made public by the foundation.

Law on Associations [1989, as amended in 1990]

Chapter 1: GENERAL PROVISIONS
Article 8

1. An association is subject to registration if the present law does not provide otherwise.

2. Registration is carried out by the regional registry court that is appropriate for the association's seat, hereinafter "registry court".

3. Application of the measures provided by the present law belongs to the regional court that is appropriate for the association's seat, hereinafter "the court".

4. When hearing a case, the registry court applies the provisions of the civil code for non-trial proceedings, with modifications that follow from the present law.

5. An association's activities are supervised by the local branch of the national agency that is appropriate for the association's seat at the voivodship level and that has particular competence for social and administrative matters, hereinafter "supervising agency".

6. Provisions of the present law do not restrict the rights of the public prosecutor granted by other laws.

Chapter 3: SUPERVISING AGENCIES
Article 25

The supervising agency has the right:

1) to demand that the board of an association supply copies of acts passed by general assembly (assembly of delegates) within a specified period of time;
2) to review documents concerning activities of the association and to make notes, excerpts and copies of them at the seat of an association and in the presence of association authorities' representative;
3) to demand appropriate explanations from the authorities of an association.

Foreign Exchange Law [2002]

Chapter 4. Foreign Exchange Market Operations

Article 11.1.The foreign exchange market operations are a regulated economic activity within the meaning of the provisions of the Economic Activity Freedom Act of 2 July 2004 (Journal of Laws Np. 173, item 1807) and require entry in the register of foreign exchange market operations, hereinafter called "the register".

2. The provisions relating to foreign exchange market operations shall not apply to banks, branches of foreign banks, and to credit institutions and branches thereof.

Article 12. Foreign exchange market operations may be performed by a natural persons, who has not been validly convicted for a fiscal offence or an offence committed for financial or personal gain, as well as legal entity and a partnership without legal personality, of which no member of the governing bodies or a partner, respectively, has been convicted for such an offence.

Article 13. 1. Activities directly linked to the performance of foreign exchange market operations may be performed only by persons, who have not been validly convicted for the offences, referred to in Article 12, and who have professional qualifications for the performance of those operations.

2. Professional qualifications shall be understood as:

1) having finished a course covering legal and practical aspects related to the running of foreign exchange market operations, documented with a certificate, or
2) working in a bank, for at least one year, at a position directly involving the servicing of foreign currency transactions, documented with an employment certificate, as well as familiarity with the Act regulating foreign exchange market operations, confirmed by a declaration.

Article 14.1. Entrepreneur performing foreign exchange market operations shall be obliged to ensure:

1) ongoing, permanent, continuous and law compliant records of all operations resulting in changes in the amount of foreign exchange values and the Polish currency,
2) conducting, within the opening hours of the exchange bureau, continuous buying and selling of foreign exchange values being subject to trading,
3) issuing, in a manner compliant with the laws, of purchase and sales receipts, registered or made to bearer, for each purchase and sale of foreign exchange values being subject to trading,
4) the premises and its outfit meeting the technical and organisational conditions necessary for the safe and correct performance of activities directly linked with foreign exchange market operations.

2. Entrepreneur shall be obliged to obtain, after the end of each year of activity, certificates of no conviction for the offences referred to in Article 12.

3. The provision of Paragraph 2 shall apply, as appropriate, to persons referred to in Article 13 Paragraph 1.

Article 16.1. The register shall be kept by the President of the National Bank of Poland

2. The register may be kept electronically.

3. The President of the National Bank of Poland may specify, by way of an order, the manner for keeping the register, the standard form of the register and the procedure for making entries into register.

Article 17. 1. An entry to the register shall be made upon a written request of an entrepreneur, which should provide the following data:

1) business name, seat and address or the address of residence,
2) number in the business register or business records,
3) tax identification number (NIP), if the entrepreneur has one,

4) seats and addresses of entities, in which foreign exchange market operations will be carried out,
5) designation of the scope of foreign exchange market operations carried out by the entrepreneur in individual entities,
6) signature of the entrepreneur and designation of the date and place of filling the request.

2. The request shall be accompanied by the following written declaration of the entrepreneur:

"I hereby declare that:

1) the information provided in the request for entry into the register are complete and true,
2) I know and meet special conditions for performance of foreign exchange market operations as specified in the Chapter 4 of the Foreign exchange law – Act of 27 July 2002.

I also declare that I have valid certificates of non-conviction and documents confirming the qualifications required by the provisions of the Act referred to in point 2."

3. The declaration should also provide:

1) business name, seat and address or the address of residence,
2) designation of the date and place of filling the declaration,
3) signature of person authorised to represent the entrepreneur, indicating their name, surname, and position.

4. The minister responsible for public finances, having consulted the opinion of the President of the National Bank of Poland, shall specify, by way of an Ordinance, a standard form of the request to make entry in the register of foreign exchange market operations, taking into account the scope of activities carried out by the entrepreneur.

Regulations

Regulation of the MINISTER OF FINANCE of 21 September 2001 on determination of the sample register of transactions, the method of its maintenance and the mode of submitting the data from the register to the general inspector of financial information

In accordance with Article 13 of the Law of 16 November 2000 on counteracting introduction of property values originating from illegal or undisclosed sources to financial transactions (Journal of Laws No. 116, item 1216 and of 2001 No. 63, item 641) it shall be instructed as follows:

§ 1. The regulation determines:

1) a sample register of transactions, the value of which exceeds 10.000 Euro, whether the transaction is carried out within a single operation or within several operations, in case the circumstances indicate that the operations are inter-related, and of the transactions circumstances of which indicate that the financial means involved can originate from illegal or undisclosed sources, regardless its value and type,

2) method of the register's maintenance and the mode of submitting the data from the register to the General Inspector of Financial Information, hereinafter referred to as 'General Inspector',

3) the mode of submitting the data to the General Inspector of Financial Information on the transactions referred to in point 1 with the use of electronic data carriers.

§ 2. 1. The register of transactions referred to in Article 8 (4) of the Law of 16 November 2000 r. on counteracting introduction of property values originating from illegal or undisclosed sources to financial transactions, hereinafter referred to as 'Law', shall be kept by the obligated institutions within the meaning of Article 2, point 1 of the Law in a paper form or by means of electronic data carriers.

2. The data shall be immediately recorded in the register of transactions referred to in paragraph 1, hereinafter referred to as the 'register', however, not later than on the day following the day the transaction was carried out.

§ 3. 1. The register in its paper form shall be kept as brochures consisting of subsequently numbered transaction cards, drawn up and filled in separately for each registered transaction.

2. A sample transaction card is presented in Annex no. 1 to this Regulation.

3. The transaction cards referred to in paragraph 1 shall be filled in by hand or typed in careful, permanent and durable manner and the possible mistakes shall be corrected by:

1) deleting the incorrect information and writing in the correct one, with the reservation that the incorrect information must be legible,
2) inserting the date and legible signature of a person who writes the correct information.

§ 4. 1. The register kept by means of electronic data carriers shall consist of records inserted separately for each transaction.

2. The register referred to in paragraph 1 shall be kept in an IT system that enables an immediate readout or printout of all or part of the data inserted.

3. (1) The structure of electronic record is specified in Annex no. 2 to this Regulation.

§ 5. 1. An obligated institution that keeps a register with the use of electronic data carriers should:

1) have a written, detailed manual for the software used for the maintenance of the register,
2) apply an IT system that prevents the records from being deleted or modified and guarantees the proper format of the data transmitted to the General Inspector.

2. Mistake in the register shall be corrected by means of a correcting record.

§ 6. 1. The data from register shall be delivered by obligated institutions, subject to paragraphs 2-5, in the form of a copy of the transaction card or in the form of a diskette of 3,5" FAT 1,4 standard or on a CD-ROM of ISO 9660 standard.

2. Data from the register can be sent by teletransmission or by electronic data carriers other than referred to in 1, following the settlements with the General Inspector regarding the organisational and technical conditions for these forms of data transmission.

3. While transmitting the data for the first time, an obligated institution shall simultaneously submit a filled out identification form.

4. Whenever a mistake has been made or the data inserted in the form referred to in paragraph
3 have been changed, an obligated institution shall send a new identification form to the General Inspector.

5. A sample identification form is presented in Annex no. 3 to this Regulation.

§ 7. 1. The data can be submitted in the form of a copy of a transaction card only when the information submitted refers to a single transaction.

2. If the copy referred to in paragraph 1 above has been made out of the transaction card, in which certain corrections were made according to § 3 (3) due to the mistakes discovered, an obligated institution shall deliver a copy of the transaction card to the General Inspector and an additional card referring to the same transaction and filled in with the correct data without any alterations.

3. A diskette can be used for the transmission of data only when all the data are stored on one diskette.

4. (2) When data are sent by means of teletransmission or by electronic data carriers, the structure of transmitted files should be preserved as text files or XML files, excluding the alterations made to the files as a result of coding or electronic signature use referred to in the Law of 18 September 2001 on electronic signatures (Journal of Laws No. 130, item 1450 and of 2002 No. 153, item 1271).

5. A sample text file is specified in Annex no. 4 to this Regulation.

6. A sample xml file is specified in Annex no. 5 to this Regulation.

§ 8. 1. A copy of a transaction card, submitted to the General Inspector shall contain a clause regarding the confirmation of the copy with the content of the original made out by one of the persons, who were appointed for the performance of the obligations specified in the Law in connection with Article 28 of the Law.

1a. (3) The data transmitted in an electronic form shall contain a protected electronic signature, within the meaning of the Law of 18 September 2001 on electronic signatures, made by the person referred to in paragraph 1 above.

2. The data on an electronic carrier shall be transmitted by the person referred to in paragraph 1 together with a description on an external label of the carrier.

3. The description referred to in paragraph 2 above shall contain:

1) full name of an obligated institution,

2) names of files and number of records they contain,

3) first and last names and a signature of the person referred to in paragraph 1.

§ 9. 1. The data in the form of copies of transaction cards or delivered by means of electronic data carriers shall be sent to the organisational unit referred to in Article 3 (4) of the Law, subject to paragraph 2, by an employee of an obligated institution.

2. The data referred to in paragraph 1 above can also be transmitted by means of:

1) an entrepreneur who has got a licence for performing economic activity in the scope of protection of people and property, granted on the basis of the provisions of the Law of 22 August 1997 on the protection of people and property (Journal of Laws No. 114, item 740 of 1999 No. 11, item 95, of 2000 No. 29, item 357 and of 2001 No. 4, item 23 and No. 27, item 298),

2) state owned public utility company ‘The Polish Post Office’,

3) entity that has got a licence for rendering postal services, granted on the basis of the provisions of the Law of 23 November 1990 on communication (Journal of Laws of 1995 No. 117, item 564, of 1996 No. 106, item 496, of 1997 No. 43, item 272, No. 88, item 554, No. 106, item 675, No. 121, item 770 and No. 137, item 926, of 1998 No. 137, item 887 and No. 150, item 984, of 1999 No. 47, item 461, of 2000 No. 62, item 718, No. 73, item 852 and No. 120, item 1268 and of 2001 No. 67, item 678).

3. In cases referred to in paragraphs 1 and 2, point 1, a person who delivers the data shall confirm the delivery in the register maintained for this purpose by an organisational unit referred to in Article 3 (4) of the Law.

4. The data transmitted by the entities referred to in paragraph 2, points 2 and 3 can be delivered exclusively by means of a registered letter on a return acknowledgement of receipt onto the address of the organisational unit referred to in paragraph 3 above. These cases require an insertion of a visible note reading: 'Do not open in the chancellery'.

§ 10. 1. An obligated institution that discovered the mistakes in the information submitted shall deliver the corrected data to the General Inspector within seven days counting from the date of their disclosure.

2. The data referred to in paragraph 1 are delivered by means of the same data carrier that the obligated institution used for submitting the corrected data.

3. Provisions of § 6 (2) and § 8 and 9 shall apply respectively.

§ 11. 1. The General Inspector can demand the data to be redelivered if he discovers that the letter has been damaged or the data from registry have been transmitted with the infringement of the procedure stipulated in the Regulation.

2. An obligated institution that receives the request referred to in paragraph 1 above from the General Inspector shall be obliged to deliver the requested data immediately to the organisational unit referred to in Article 3 (4) of the law, in compliance with the requirements specified in the regulation, however, not later than within three working days following the date it received the request.

3. In the case referred to in paragraph 2, an obligated institution shall deliver the data in a separate letter with a legible note reading 'second letter'.

4. The note referred to in paragraph 3 shall be inserted on an electronic data carrier of on a copy of a transaction card.

§ 11a. (4) Provisions of the Regulation shall apply, respectively, to the transmission of data carried out by the entities referred to in Article 11, paragraph 3 of the Law.

§ 12. (5) Provisions of the Regulation shall not apply till 30 December 2003 to banks and foreign banks divisions, in relation to which the provisions of the Resolution no. 4/98 of the Commission for Banking Supervision of 30 June 1998 on the procedure to be performed by banks in case of money-laundering for the determination of the amount and conditions for the maintenance of cash payments register above the specified amount and the data on persons performing payments and persons in favour of whom the payments are made (Official Journal of the National Bank of Poland No. 18, item 40) shall apply.

§ 13. The Regulation shall enter into force 14 days after the date of its publication.

GIFI Control Procedures

§ 10

1. After concluding the control activities, the controller drafts two copies of the draft post-control protocol that contains the results of the conducted control.

2. The draft post-control protocol shall include:

1) the name of the controlled obliged institution,

2) indication of the subject of control,

3) names and surnames of the controllers, ID numbers of the controllers who conducted the control activities and the references to the authorizations, by virtue of which the control activities were conducted,

4) the commencement and conclusion dates of the control activities,

5) name and surname of the head of the obliged institution, position and the period that person worked at that position,

6) names and surnames of the persons responsible for adhering to the provisions of the Act, their positions and the period these persons worked at their positions,

7) findings of the facts,

8) assessment of the controlled activity of the obliged institution, including the indication of any eventual irregularities (including the indication of the provisions that has been breached in the activity of the controlled obliged institution) and the persons responsible for the occurrence of the irregularities,

9) conclusions and post-control recommendations as well as the implementation deadline,

10) list of documents and other evidence material (including protocols of hearing oral explanations or written explanations from the employees of the obliged institution), obtained in the course of control activities, based on which the state of the facts was determined,

11) caution concerning the right of the obliged institution to submit justified reservations as to the findings included in the post-control protocol and indication of the mode they may be submitted in,

12) place and date of making the protocol and the place for the signature of the Department Director.

3. The obliged institution shall submit to the Department Director, within the deadline indicated in the post-control protocol, information about the manner in which the conclusions and post-control recommendations are performed or the reasons why they have not been performed, indicating the estimated deadline, by which they will be realized.

4. If the conclusions and post-control recommendations are not performed by the obliged institution and there is no estimated deadline of their realization, the Department Director makes the decision on commencing the administrative proceedings.