

The new securities package will be the same (i.e. it will involve the same assets and terms) as the securities package which was established (and is currently in force) in connection with the loan agreement of 10 February 2011, save for the assets of German companies and the Swedish company as well as Zachem's shares and assets. Categories of assets on which the securities are to be established and the types of such securities in connection with the new financing:

Polish companies:

In principle, the subject and type of the securities will be the same as for the existing loan agreement, i.e.:

- The securities will be established by Ciech S.A. and the same companies which currently are guarantors under the loan agreement, except for the sold companies and Zakłady Chemiczne Zachem S.A.; neither the latter company nor its assets will be a part of the new securities structure.
- The same as for the existing loan agreement, the securities will include:
  - (a) registered and financial pledges on interests and shares in Ciech S.A.'s subsidiaries acting as guarantors,
  - (b) registered pledges on movable property and property rights of Ciech S.A. and of the guarantors,
  - (c) financial pledges on cash on the bank accounts of Ciech S.A. and of the guarantors,
  - (d) transfers, for security purposes, of Ciech S.A.'s and the guarantors' rights under insurance agreements, intra-group borrowing agreements and trade agreements,
  - (e) mortgage on Ciech S.A.'s and the guarantors' real property,
  - (f) authorisation to access Ciech S.A.'s and the guarantors' bank accounts, and
  - (g) statements by Ciech S.A. and by the guarantors on voluntary submission to enforcement proceedings.

Romanian company (S.C. Uzinale Sodice Govora – Ciech Chemical Group S.A.):

In principle, the subject and type of the securities will be the same as for the existing loan agreement, i.e.:

- (a) financial pledges on cash on the bank accounts of S.C. Uzinale Sodice Govora – Ciech Chemical Group S.A.,
- (b) authorisations to access the bank accounts of S.C. Uzinale Sodice Govora – Ciech Chemical Group S.A., and
- (c) statement by S.C. Uzinale Sodice Govora – Ciech Chemical Group S.A. on voluntary submission to enforcement proceedings.

As it is the case with the existing loan agreement, Ciech S.A. will be obliged to obtain a consent from the Romanian privatisation agency to establishing securities on other assets of S.C. Uzinale Sodice Govora – Ciech Chemical Group S.A. If such consent is not granted, S.C. Uzinale Sodice Govora – Ciech Chemical Group S.A. will be obliged to establish securities on its assets under Romanian law.

German companies:

Considering the fact that the planned transaction will result in the refinancing of debt of the German companies with Commerzbank AG and KfW Kreditanstalt für Wiederaufbau, the new financing will be secured on the German companies' assets, except for the assets of two companies: KWG-Kraftwerksgesellschaft Stassfurt mbH and Kavernengesellschaft Stassfurt mbH.

The securities to be established will be governed by German law and will involve the following:

- (a) pledges on interests in German companies,
- (b) pledge on cash on the German companies' bank accounts,
- (c) transfer, for security purposes, of the ownership title to movable property owned by the German companies, and
- (d) assignment, for security purposes, of property rights towards clients, buyers, suppliers and other members of the Ciech Group as well as rights under insurance policies and other selected rights, and
- (e) securities on the real property of selected German companies.

Swedish company:

The securities structure will be extended to include the interests of the Swedish company, which is a special purpose vehicle issuing foreign bonds. The securities related to that company will be governed by Swedish law and will include the following:

- (a) pledge on the Swedish company's interests, and
- (b) pledges on cash on the Swedish company's bank accounts,
- (c) registered pledge and financial pledge on intra-group bonds issued by Ciech S.A. and acquired by the Swedish company to provide Ciech S.A. with cash raised from the issue of foreign bonds, and
- (d) statement by the Swedish company on voluntary submission to enforcement proceedings.

The Polish bonds will be directly secured with the sureties of selected subsidiaries. The remaining securities, such as property securities, will not directly secure the bonds but the parallel debt under the creditors' agreement, which is governed by English law (the

agreement will regulate the relations between the Polish bonds, the high-yield bonds and certain other groups of creditors of CIECH S.A.'s capital group). In order to be awarded rights under such securities, Polish bondholders will have to enter the creditors' agreement.