

Ordinary General Meeting of

Polski Koncern Naftowy ORLEN S.A.

Dear Sirs,

Pursuant to § 7 par. 7 subpar. 3 of the Company Statutes, the Management Board of Polski Koncern Naftowy ORLEN S.A. (PKN ORLEN) motions to the Company's Shareholders to adopt a resolution on liquidation of the Privatisation Fund of Petrochemia Płock S.A. (Privatisation Fund) and transfer of the allocated means in the amount of 53,476.400 PLN to the Company's supplementary capital.

The Privatisation Fund was formed on the basis of the Act of 13 July 1990 on privatisation of the state enterprises. The financial means accumulated within the Privatisation Fund were to be allocated for granting loans to the employees for purchase of the shares of Petrochemia Płock S.A. The Act of 30 August 1996 on commercialisation and privatisation of the state enterprises superseded the Act on privatisation of the state enterprises of 1990. Pursuant to this Act the employees of Petrochemia Płock S.A. purchased the company's shares free of charge, therefore granting of loans from the means of Privatisation Fund for purchase of the shares has become groundless. In November 1998 the change of allocation of the means of the Privatisation Fund took place. The means were allocated for the employees' loans for purchase of the shares of the companies established within the scope of the *Programme of restructuring activities of Petrochemia Płock S.A.*

At present within the scope of the Privatisation Fund of Petrochemia Płock S.A. the amount of 53,476.400 PLN was accumulated, corresponding to the means transferred for the Privatisation Fund in 1998.

Recommendation

In relation to implementation of the objective, for which the Privatisation Fund was established and lack of justification for its further existence, the Management Board of PKN ORLEN recommends to the Ordinary General Meeting to adopt a resolution on liquidation of the Privatisation Fund and transfer of the accumulated means in the amount of 53,476.400 PLN to the Company's supplementary capital.