

**COMPOSITION PROPOSALS OF ACTION S.A. W RESTRUKTURYZACJI (IN
RESTRUCTURING)
OF 28 SEPTEMBER 2018**

These composition proposals (“**Composition Proposals**”) have been made pursuant to Article 155 paragraph 2 of the Act of 15 May 2016 – Restructuring Law (consolidated text – Journal of Laws of 2017, item 1508, hereinafter referred to as “**RL**”) by creditors of Action S.A. w restrukturyzacji, with its registered office in Zamienie (“**Company**”, “**Action**” or “**Debtor**”) holding jointly more than 30% of the total claims, in order to submit the composition (“**Composition**”) to the vote of the Creditors' Meeting. These Composition Proposals are hereby submitted to files of the pending Debtor's recovery proceedings (file reference No. X Grs 8/16) (“**Recovery Proceedings**”).

1. GENERAL PROVISIONS

- 1.1.** Pursuant to Article 161 paragraph 1 of the Act of 15 May 2015 RL, the claims covered by the Composition shall be satisfied by the Debtor within the group to which a given Creditor (“**Group**”) will belong.
- 1.2.** The Composition Proposals provide for the division of the creditors into five Groups:
- 1.2.1. Group I - Main Group:** includes all Creditors, both private and public, entitled to claims covered by the Composition pursuant to law or consent of the Creditor, including such Creditors whose claims, according to the Act, are covered by the Composition, whereas the existence or amount thereof will be confirmed after the approval of the list of claims, with the exception of the Creditors belonging to Group II, Group III, Group IV, Group V or Group VI;
- 1.2.2. Group II - Group of Minor Creditors:** includes Creditors entitled to claims covered by the Composition pursuant to law or consent of the Creditor, whose sum of basic claims does not exceed PLN 50,000 as of the date of opening the Recovery Proceedings, excluding the Creditors belonging to Group V and Group VI;
- 1.2.3. Group III - Group of Creditors referred to in Article 160 paragraph 1 of the Restructuring Law:** includes the Creditors with regard to whom the Company has liabilities referred to in Article 160 paragraph 1 of the Restructuring Law;
- 1.2.4. Group IV - Group of Cooperating Commercial Creditors:** includes Creditors entitled to claims covered by the Composition pursuant to law or consent of the Creditor, excluding the Creditors belonging to Group II, Group V and Group VI who, following the opening of the Recovery Proceedings: and receivables from the debt financing described in Group V, who, following the opening of the Recovery Proceedings:
- a. provided the Company (or companies acquired by the Company during the Recovery Proceedings, hereinafter referred to as “**Acquired Companies**”), not later than on the date of making the Composition Proposals by the Creditors, with commercial support in Court (hereinafter referred to as “**Support**”) (resulting from appropriate accounting documents issued by the Creditor or the Company [of the Acquired Company], recorded in the Company's accounting books) in the form of cash benefits, additional to the sales contract concluded with a given Creditor, in the form of:
 - i. reducing the price of products in relation to the price agreed in a sales contract, unless such a reduction was due to the defective nature of the products; or
 - ii. granting remuneration to the Company (or the Acquired Company) - in the amount independent of the price of specific products - due to achieving by the Company (or the Acquired Company) of trade targets specified by the parties to a contract or performing activities related to the promotion of the products covered by the cooperation of the parties, regardless of whether the remuneration was settled at the conclusion of a sales contract or after the conclusion thereof, upon determining results of the adopted settlement period;

- 1.2.5. Group V - Group of Financial Creditors:** includes Creditors entitled to claims covered by the Composition pursuant to law or consent of the Creditor, resulting from debt financing (other than relating to commercial cooperation referred to in the description of Group IV), understood as financing resulting from the issue of bonds, granting loans or credits, or recourse claims resulting from guarantees or letters of credit issued, or implementing legal securities (such as sureties or guarantees granted by the Company), granted in the period prior to the opening of the recovery proceedings to the Company or entities to which the Company was a parent company, within the meaning of Article 4 paragraph 1 point 4 of the Code of Commercial Companies and Partnerships (consolidated text Journal of Laws of 2017, item 1577, hereinafter referred to as “**CCCP**”), or a related company within the meaning of Article 4 paragraph 1 point 5 CCCP, if the Company is liable for the obligations of these entities on the basis of a specific legal relationship.
- 1.2.6. Group VI - Creditors of unpaid dividend:** includes Creditors who are entitled towards the Company to claims covered by the Composition due to dividend unpaid by the Company.
- 1.3.** One Creditor with several claims can be included in different Groups, depending on the type of claims to which such Creditor is entitled to and the criteria for separating a given Group.
- 1.4.** A joining creditor (“**Joining Creditor**”) who, after accepting or approving the Composition, replaces another Creditor who was included in the approved List of Claims (“**Withdrawing Creditor**”), will be incorporated into the Group designated for the Withdrawing Creditor, irrespective of the legal basis of joining by the Joining Creditor in place of the Withdrawing Creditor. In particular, a Joining Creditor conducting insurance business may be included in Group I or Group IV, in the scope of claims acquired from the Withdrawing Creditor who is incorporated in such Group.
- 1.5.** Creditors will be repaid in a non-cash manner, in the form of transfers to bank accounts provided to the Debtor by the Creditors.
- 1.6.** Pursuant to Article 171 RL, Mr. Gaweł Jarosiński, holding the license of restructuring advisor No. 443, is hereby appointed to the position of administrator of the Composition implementation. The administrator of the Composition implementation will be entitled to quarterly remuneration in the amount equivalent to twice the average monthly remuneration from the previous quarter published by the President of the Central Statistical Office in the Official Gazette of the Republic of Poland “*Monitor Polski*” pursuant to Article 20 point 2 of the Act of 17 December 1998 on Pensions from the Social Insurance Fund (Journal of Laws of 2018 item 1270, as amended).

2. SPECIFIC CONDITIONS FOR INDIVIDUAL GROUPS

2.1. Group I

- 2.1.1. Claims which include principal amounts will be repaid in 63%, with the proviso that the Creditors cannot be satisfied in an amount lower than PLN 50,000.
- 2.1.2. The remaining part of claims which include principal amounts will be redeemed (reduction of the amount of claims).
- 2.1.3. The unredeemed part of claims covering principal amounts will be repaid in 24 quarterly instalments payable at the end of each quarter, according to the table below:

Order number of the Composition Instalment	Date of payment of the Composition Instalment	Value of the Composition Instalment
Instalment 1	First quarter of the Composition implementation	2.431 %
Instalment 2	Second quarter of the Composition implementation	2.431 %
Instalment 3	Third quarter of the Composition implementation	2.431 %

Instalment 4	Fourth quarter of the Composition implementation	2.431 %
Instalment 5	Fifth quarter of the Composition implementation	2.431 %
Instalment 6	Sixth quarter of the Composition implementation	2.431 %
Instalment 7	Seventh quarter of the Composition implementation	2.431 %
Instalment 8	Eighth quarter of the Composition implementation	2.431 %
Instalment 9	Ninth quarter of the Composition implementation	2.431 %
Instalment 10	Tenth quarter of the Composition implementation	2.431 %
Instalment 11	Eleventh quarter of the Composition implementation	2.431 %
Instalment 12	Twelfth quarter of the Composition implementation	2.431 %
Instalment 13	Thirteenth quarter of the Composition implementation	2.819 %
Instalment 14	Fourteenth quarter of the Composition implementation	2.819 %
Instalment 15	Fifteenth quarter of the Composition implementation	2.819 %
Instalment 16	Sixteenth quarter of the Composition implementation	2.819 %
Instalment 17	Seventeenth quarter of the Composition implementation	2.819 %
Instalment 18	Eighteenth quarter of the Composition implementation	2.819 %
Instalment 19	Nineteenth quarter of the Composition implementation	2.819 %
Instalment 20	Twentieth quarter of the Composition implementation	2.819 %
Instalment 21	Twenty-first quarter of the Composition implementation	2.819 %
Instalment 22	Twenty-second quarter of the Composition implementation	2.819 %
Instalment 23	Twenty-third quarter of the Composition implementation	2.819 %
Instalment 24	Twenty-fourth quarter of the Composition implementation	2.819 %

- 2.1.4. The first quarterly instalment will be payable on the last business day of the calendar quarter following the quarter in which the decision on approval of the Composition in the Recovery Proceedings becomes final and binding.
- 2.1.5. Claims resulting from interest for the period to the date of opening the Recovery Proceedings, as well as after that day, and all other incidental dues will be redeemed in whole.

2.2. Group II

- 2.2.1. Claims which include principal amounts will be satisfied by the Company in such a way that each Creditor of Group II shall receive repayment of a claim in full, within 30 (thirty) days from the date on which the decision on approval of the Composition in the Recovery Proceedings becomes final and binding (the date on which the decision on approval of the Composition in the Recovery Proceedings becomes final and binding shall hereinafter be referred to as “**Composition Validation Date**”).
- 2.2.2. Claims resulting from interest for the period to the date of opening the Recovery Proceedings, as well as after that day, and all other incidental dues will be redeemed in whole.

2.3. Group III

Claims that include: principal amounts and amounts of incidental dues incurred up to the day preceding the date of opening of the Recovery Proceedings, as well as after that day until the repayment date (of interest resulting from statutory, contractual or other legal basis), shall be satisfied by the Company as follows: each Creditor from Group III shall receive repayment of a claim in full within 30 (thirty) days as of the Composition Validation Date.

2.4. Group IV

- 2.4.1. Claims which include principal amounts will be repaid in 67%, with the proviso that the Creditors cannot be satisfied in an amount lower than PLN 50,000.
- 2.4.2. The remaining part of the claims covering principal amounts will be redeemed (reduction of the amount of claims).
- 2.4.3. The unredeemed part of claims covering principal amounts will be repaid in 24 quarterly instalments payable at the end of each quarter, according to the table below:

Order number of the Composition Instalment	Date of payment of the Composition Instalment	Value of the Composition Instalment
Instalment 1	First quarter of the Composition implementation	2.71 %
Instalment 2	Second quarter of the Composition implementation	2.71 %
Instalment 3	Third quarter of the Composition implementation	2.71 %
Instalment 4	Fourth quarter of the Composition implementation	2.71 %
Instalment 5	Fifth quarter of the Composition implementation	2.71 %
Instalment 6	Sixth quarter of the Composition implementation	2.71 %
Instalment 7	Seventh quarter of the Composition implementation	2.71 %

Instalment 8	Eighth quarter of the Composition implementation	2.71 %
Instalment 9	Ninth quarter of the Composition implementation	2.71 %
Instalment 10	Tenth quarter of the Composition implementation	2.71 %
Instalment 11	Eleventh quarter of the Composition implementation	2.71 %
Instalment 12	Twelfth quarter of the Composition implementation	2.71 %
Instalment 13	Thirteenth quarter of the Composition implementation	2.873 %
Instalment 14	Fourteenth quarter of the Composition implementation	2.873 %
Instalment 15	Fifteenth quarter of the Composition implementation	2.873 %
Instalment 16	Sixteenth quarter of the Composition implementation	2.873 %
Instalment 17	Seventeenth quarter of the Composition implementation	2.873 %
Instalment 18	Eighteenth quarter of the Composition implementation	2.873 %
Instalment 19	Nineteenth quarter of the Composition implementation	2.873 %
Instalment 20	Twentieth quarter of the Composition implementation	2.873 %
Instalment 21	Twenty-first quarter of the Composition implementation	2.873 %
Instalment 22	Twenty-second quarter of the Composition implementation	2.873 %
Instalment 23	Twenty-third quarter of the Composition implementation	2.873 %
Instalment 24	Twenty-fourth quarter of the Composition implementation	2.873 %

2.4.4. The first quarterly instalment will be payable on the last business day of the calendar quarter following the quarter in which the decision on approval of the Composition in the Recovery Proceedings becomes final and binding.

2.4.5. Claims resulting from interest for the period to the date of opening the Recovery Proceedings, as well as after that day, and all other incidental dues will be redeemed in whole.

2.5. Group V

2.5.1. Claims which include principal amounts will be repaid in 54%.

2.5.2. The remaining part of the claims covering principal amounts will be redeemed (reduction of the amount of claims).

2.5.3. The unredeemed part of claims covering principal amounts will be repaid in 18 quarterly instalments payable at the end of each quarter, according to the table below.

Order number of the Composition Instalment	Date of payment of the Composition Instalment	Value of the Composition Instalment
Instalment 1	First quarter of the Composition implementation	20.26579 %
-	Second quarter of the Composition implementation	-
-	Third quarter of the Composition implementation	-
-	Fourth quarter of the Composition implementation	-
Instalment 2	Fifth quarter of the Composition implementation	18.76152 %
-	Sixth quarter of the Composition implementation	-
-	Seventh quarter of the Composition implementation	-
-	Eighth quarter of the Composition implementation	-
Instalment 3	Ninth quarter of the Composition implementation	0.36966 %
Instalment 4	Tenth quarter of the Composition implementation	0.36966 %
Instalment 5	Eleventh quarter of the Composition implementation	0.36966 %
Instalment 6	Twelfth quarter of the Composition implementation	0.36966 %
Instalment 7	Thirteenth quarter of the Composition implementation	1.12450 %
Instalment 8	Fourteenth quarter of the Composition implementation	1.12450 %
Instalment 9	Fifteenth quarter of the Composition implementation	1.12450 %
Instalment 10	Sixteenth quarter of the Composition implementation	1.12450 %
Instalment 11	Seventeenth quarter of the Composition implementation	1.12450 %
Instalment 12	Eighteenth quarter of the Composition implementation	1.12450 %
Instalment 13	Nineteenth quarter of the Composition implementation	1.12450 %
Instalment 14	Twentieth quarter of the Composition implementation	1.12450 %

Instalment 15	Twenty-first quarter of the Composition implementation	1.12450 %
Instalment 16	Twenty-second quarter of the Composition implementation	1.12450 %
Instalment 17	Twenty-third quarter of the Composition implementation	1.12450 %
Instalment 18	Twenty-fourth quarter of the Composition implementation	1.12450 %

2.5.4. The first quarterly instalment will be payable on the last business day of the calendar quarter following the quarter in which the decision on approval of the Composition in the Recovery Proceedings becomes final and binding.

2.5.5. Claims resulting from interest for the period to the date of opening the Recovery Proceedings, as well as after that day, and all other incidental dues will be redeemed in whole.

2.6. Group VI

2.6.1. Claims which include principal amounts will be repaid in 51%.

2.6.2. The remaining part of the claims covering principal amounts will be redeemed (reduction of the amount of claims).

2.6.3. The unredeemed part of principal amounts of the claims shall be repaid in full on the last business day of the twenty-fifth calendar quarter following the quarter in which the decision on the approval of the Composition in the Recovery Proceedings becomes final and binding.

2.6.4. Claims resulting from interest for the period up to the date of opening the Recovery Proceedings, as well as after that day, and all other incidental dues will be redeemed in whole.

3. INCREASE IN THE AMOUNT OF COMPOSITION INSTALMENTS IN THE EVENT OF FAVORABLE TAX DECISIONS

3.1. If, during the implementation of the Composition, a final decision or a final administrative court judgement is issued with regard to the Company, under which the Company is entitled to refund of incorrectly paid VAT as a result of the proceedings specified in **Appendix 2** to the Composition Proposals (“**Incorrectly Paid Tax**”), the funds received by the Company due to the refund of the Incorrectly Paid Tax, in the part which was payable under the Composition Proposals, shall be allocated for a one-time, additional repayment of the Creditors from Groups I, IV, V and VI on the last business day of the quarter following the quarter in which the Incorrectly Paid Tax was refunded to the Company’s bank account, subject to paragraph 3.4.

3.2. If, during the implementation of the Composition, a final decision or a final administrative court judgement is issued with regard to the Company, under which the Company's VAT liability as a result of the proceedings indicated in **Appendix 2** to the Composition Proposals is determined in an amount lower than that included in the List of Claims (“**Incorrectly Determined Tax**”), funds which, according to the Composition Proposals, were to be used in the future to pay the Company VAT liability in the part which was to be paid based on the Composition Proposals, will be used for additional repayment of the Creditors from Groups I, IV, V and VI, starting from the first quarterly instalment after the final decision or final and binding judgement of administrative court; the additional repayment schedule shall correspond to the instalment repayment schedule specified for Creditors from Group I, subject to paragraph 3.4.

3.3. The additional repayment resulting from paragraphs 3.1-3.2 (“**Additional Repayment**”) will be divided among Creditors from Groups I, IV, V and VI according to the following allocation mechanism:

(i) share of Creditors from Group I in the Additional Repayment:

Amount of claims to be repaid within Group I	x	Share of Group I claims resulting from the Composition Proposals (in %) in the total amount of claims to be repaid within the framework of the Composition
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(A)

(ii) share of Creditors from Group IV in the Additional Repayment:

Amount of claims to be repaid within Group IV	x	Share of Group IV claims resulting from the Composition Proposals (in %) in the total amount of claims to be repaid within the framework of the Composition
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(A)

(iii) share of Creditors from Group V in the Additional Repayment:

Amount of claims to be repaid within Group V	x	Share of Group V claims resulting from the Composition Proposals (in %) in the total amount of claims to be repaid within the framework of the Composition
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(A)

(iv) share of Creditors from Group VI in the Additional Repayment:

Amount of claims to be repaid within Group VI	x	Share of Group VI claims resulting from the Composition Proposals (in %) in the total amount of claims to be repaid within the framework of the Composition
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(A)

where (A) is the sum of the numerators from paragraph 3.3. items (i) - (iii) above, assuming that the amounts of claims to be repaid will be reduced by the Incorrectly Determined Tax.

3.4. The Additional Repayment provided for in paragraphs 3.1-3.2 above shall be reduced by the success fee of the Company's consultants, agreed on the basis of separate consultancy agreements signed between the Company and such consultants ("**Consultants' Fee**"). The Additional Repayment will be due only after payment of the whole Consultants' Fee for respective tax proceedings. If the amount of the Incorrectly Paid Tax or the Incorrectly Determined Tax is lower than the Consultants' Fee, repayment under this Article 3 shall not be made.

3.5. Repayment under this Article 3 shall be made irrespective of the repayment terms laid down in Article 2, and in particular it shall not reduce the repayment amounts which the Creditors from Groups I, IV, V and VI will receive pursuant to Article 2.

3.6. This Article shall apply each time in the event of a final decision or a final and binding judgment of an administrative court regarding the Incorrectly Paid Tax or the Incorrectly Determined Tax.

4. SECURITIES

4.1. Mortgage

4.1.1. Within 3 (three) months as of the Composition Validation Date, the Company shall submit a declaration (in the form of a notarial deed) of establishing joint mortgages on the following real properties and perpetual usufruct rights held by the Company, i.e. on:

- i. real property located in Zamienie, for which the District Court in Piaseczno, 4th Division of Land and Mortgage Registers, keeps the land and mortgage register No. WA5M/00356713/3,
- ii. real property located in Zgorzała, for which the District Court in Piaseczno, 4th Division of Land and Mortgage Registers, keeps the land and mortgage register No. WA5M/00433184/9,
- iii. the right of perpetual usufruct of real property and ownership title of a building constituting a separate property, located in Cracow, for which the District Court for Kraków-Podgórze in Cracow, 4th Division of Land and Mortgage Registers, keeps the land and mortgage register No. KR1P/00331682/8,
- iv. the right of perpetual usufruct of real property and ownership title of a building and equipment constituting a separate property, located in Cracow, for which the District Court for Kraków-Podgórze in Cracow, 4th Division of Land and Mortgage Registers, keeps the land and mortgage register No. KR1P/00331683/5, and
- v. the right of perpetual usufruct of real property located in Cracow, for which the District Court for Kraków-Podgórze in Cracow, 4th Division of Land and Mortgage Registers, keeps the land and mortgage register No. KR1P/00366251/2.

for each of the Creditors belonging to Group I, Group IV or Group V, who will report to the Company within 10 weeks from the Composition Validation Date, in order to secure cash claims separately covered by the Composition, covering the principal amounts due to a respective Creditor, up to the value of the principal amount, which entitled such Creditor to vote on the Composition, with equal preference (“**Mortgages**”).

- 4.1.2. The Mortgages shall be established until full repayment of cash claims covering principal amounts due to creditors belonging to Group I, Group IV and Group V in accordance with the Composition Proposals, subject to the next sentence. Perpetual usufruct rights and ownership titles indicated in subparagraph 4.1.1. items iii-v above, charged with Mortgages, will be released from Mortgages before full repayment of cash claims covering principal amounts due to Creditors belonging to Group I, Group IV and Group V in accordance with the Composition Proposals, at the lapse of 18 months after the Composition Validation Date, provided that the Debtor implements the Composition by that time. A document confirming fulfillment of this requirement will be a written statement from the Composition implementation administrator confirming this fact.
- 4.1.3. Subject to the next two sentences, the Mortgages will be established so as to have preference over any other mortgage and preference over any limited property right, personal right and claim. Higher preference than Mortgages may only be granted to limited property rights in the form of usage rights, easements and transmission easements, which were entered into the land and mortgage registers indicated in subparagraph 4.1.1. items i-v, no later than on the Composition Validation Date. In the period until 1 February 2019, higher preference than Mortgages may also be granted to a contractual mortgage up to amount of PLN 75,000,000 securing claims under the loan agreement No. 2014/126/DDF of 19 May 2014, which is entered in the land and mortgage register number WA5M/00356713/3 in favor of Bank Polska Kasa Opieki Spółka Akcyjna with its registered office in Warsaw (REGON 000010205) (“**PEKAO Mortgage**”). Action will have PEKAO Mortgage released by 1 February 2019. After the PEKAO Mortgage expires, Action will promptly have it removed from the land and mortgage register.
- 4.1.4. The Company undertakes to deal with the mortgage space emptied in connection with the planned expiration of the PEKAO Mortgage in such a way that after the PEKAO Mortgage expires, Mortgages (referred to in subparagraph 4.1.1) will be transferred to the emptied mortgage space with the highest preference of satisfaction. Along with the submission of the declaration on the establishment of Mortgages, the Company will submit a land and mortgage register application for entry of the claim to which creditors secured with Mortgages are entitled for the transfer of their Mortgages to the emptied (the highest) mortgage space.

4.1.5. The Company shall be charged with expenses related to performance of the activities provided for in this paragraph 4.1, in particular all expenses related to the establishment of Mortgages and the transfer of Mortgages to the emptied mortgage space. If the expenses referred to in the previous sentence are borne by a Creditor belonging to Group I, Group IV or Group V, the Company - immediately upon receipt of a written request - will return it a sum of money equal to the amount of the expenses incurred.

4.2. Registered pledge

4.2.1. Moreover, in order to secure cash claims covered by the Composition, covering principal amounts due to Creditors belonging to Group I, Group IV and Group V, the Company will establish within 10 weeks from the Composition Validation Date, in favor of the pledge administrator - Gessel, Kozirowski sp. k., a security in the form of registered pledges, with the highest preference, up to the highest security amount equal to the sum of principal amounts that entitled Creditors belonging to Group I, Group IV or Group V to vote on the Composition, on:

- 1) equipment of warehouse systems constituting movables or a set of movables (including, in particular, on a set of devices constituting a system of automatic transport conveyors of goods entered in the Company's fixed assets register under registry number 935/2009/UTECH, situated in the "Hala 1 i Hala 2A" warehouse) located at ul. Dawidowska 10, Zamienie, 05-500 Piaseczno ("**Registered Pledge 1**", "**Pledge 1 Agreement**"),
- 2) the Company's rights resulting from registration of the following trademarks:
 - a) word and graphic mark "HUSSAR ACTINA", exclusive right No.: 017444563, registered in: European Union Office for Intellectual Property, filing date: 8 November 2017;
 - b) word and graphic mark "ACTINA", exclusive right No.: 012663944, registered in: European Union Office for Intellectual Property, filing date: 05 March 2014;
 - c) word and graphic mark "ACTINA", exclusive right No.: 201244, registered in: Patent Office of the Republic of Poland, filing date: 09 June 2006;
 - d) word and graphic mark "ACTINA SOLAR", exclusive right No.: 014817498, registered in: European Union Office for Intellectual Property, filing date: 20 November 2015;
 - e) word and graphic mark "ACTION EU", exclusive right No.: 012803301, registered in: European Union Office for Intellectual Property, filing date: 17 April 2014;
 - f) word and graphic mark "Active Panda", exclusive right No.: 015889661, registered in: European Union Office for Intellectual Property, filing date: 05 October 2016;
 - g) word and graphic mark "Active Panda", exclusive right No.: 21655525, registered in: China Trademark Office, filing date: 24 October 2016;
 - h) word and graphic mark "Active&Food" exclusive right No.: 015337926, registered in: European Union Office for Intellectual Property, filing date: 15 April 2016;
 - i) word mark "ACTIVEJET", exclusive right No.: 007605728, registered in: European Union Office for Intellectual Property, filing date: 12 February 2009;
 - j) word mark "ACTIVEJET", exclusive right No.: 005790332, registered in: European Union Intellectual Property Office, filing date: 15 March 2007
 - k) word mark "ACTIVEJET", exclusive right No.: 229101, registered in: Patent Office of the Republic of Poland, filing date: 28 July 2009;
 - l) word mark "PENTAGRAM", exclusive right No.: 009410143, registered in: European Union Office for Intellectual Property, filing date: 29 September 2010;
 - m) word mark "PENTAGRAM", exclusive right No.: 224699, registered in: Patent Office of the Republic of Poland, filing date: 15 December 2008;

- n) word and graphic mark “PENTAGRAM THE PERFECT SIMPLICITY”, exclusive right No. 161246, registered in: Patent Office of the Republic of Poland, filing date: 28 March 2003;
- o) word and graphic mark “PENTAGRAM THE PERFECT SIMPLICITY”, exclusive right No.: 011159291, registered in: European Union Office for Intellectual Property, filing date: 03 September 2012;
- p) word and graphic mark “ACTTVEJET”, exclusive right No.: 934354, registered in: Office of the World Intellectual Property Organization, filing date: 28 February 2007;
- q) word and graphic mark “blueanker”, exclusive right No.: 014659932, registered in: European Union Office for Intellectual Property, filing date: 09 October 2015;
- r) word and graphic mark "blueanker", exclusive right No.: 014659916, registered in: European Union Office for Intellectual Property, filing date: 09 October 2015;
- s) word mark “Sferis”, exclusive right No.: 235657, registered in: Patent Office of the Republic of Poland, filing date: 25 September 2008;
- t) word and graphic mark “SFERIS”, exclusive right No.: 210178, registered in: Patent Office of the Republic of Poland, filing date: 03 January 2007;
- u) word and graphic mark “SFERIS”, exclusive right No.: 210179, registered in: Patent Office of the Republic of Poland, filing date: 03 January 2007;
- v) word and graphic mark “SFERIS”, exclusive right No.: 016414369, registered in: European Union Office for Intellectual Property, filing date: 28 February 2017;
- w) word and graphic mark “SAM CLEAR”, exclusive right No.: 015083116, registered in: European Union Office for Intellectual Property, filing date: 05 February 2016;
- x) word mark “Tuckano”, exclusive right No.: 015083215, registered in: European Union Office for Intellectual Property, filing date: 05 February 2016;
- y) word and graphic mark “Tuckano”, exclusive right No.: 015083322, registered in: European Union Office for Intellectual Property, filing date: 05 February 2016;
- z) word mark “ACTION”, exclusive right No.: 012455531, registered in: European Union Office for Intellectual Property, filing date: 09 December 2013;
- aa) word and graphic mark “GRAM.PL”, exclusive right No.: 230919, registered in: Patent Office of the Republic of Poland, filing date: 08 May 2009;
- bb) word mark “ACTIS”, exclusive right No.: 241289, registered in: Patent Office of the Republic of Poland, filing date: 02 July 2010;
- cc) word mark “SFERIS ELECTRO”, exclusive right No.: 243553, registered in: Patent Office of the Republic of Poland, filing date: 11 October 2010;
- dd) word and graphic mark “A”, exclusive right No.: 118858, registered in: Patent Office of the Republic of Poland, filing date: 05 April 1996;
- ee) word and graphic mark “GREEN ACTIVE”, exclusive No.: 275996, registered in: Patent Office of the Republic of Poland, filing date: 15 April 2013;
- ff) word and graphic mark “GREEN ACTIVE”, exclusive right No.: W01186559, registered in: European Union Office for Intellectual Property, filing date: 24 September 2013;
- gg) word mark “SFERIS OUTLET”, exclusive right No.: 246202, registered in: Patent Office of the Republic of Poland, filing date: 15 February 2011.
- hh) word and graphic mark “ACTIVE ECO”, exclusive right No.: 270476, registered in: Patent Office of the Republic of Poland, filing date: 15 April 2013;

- ii) word mark “ACTION”, exclusive right No.: 125430, registered in: Patent Office of the Republic of Poland, filing date: 12 February 1996;
- jj) word mark “TENDER”, exclusive right No.: 238820, registered in: Patent Office of the Republic of Poland, filing date: 12 March 2010;
- kk) word mark “ELEKTRONICZNY ŚWIAT”, exclusive right No.: 257004, registered in: Patent Office of the Republic of Poland, filing date: 16 February 2012;
- ll) word mark “ELEKTRONICZNYŚWIAT.PL”, exclusive right No.: 257005, registered in: Patent Office of the Republic of Poland, filing date: 16 February 2012;
- mm) word and graphic mark “ELEKTRONICZNYŚWIAT.PL „... INTERNETOWY A JEDNAK Z DUSZĄ”, exclusive right No.: 257006, registered in: Patent Office of the Republic of Poland, filing date: 16 February 2012.

(hereinafter jointly referred to as “**Registered Pledge 2**”, together with the Register Pledge 1 as “**Registered Pledges**”, “**Pledge 2 Agreement**” together with Pledge 1 Agreement as “**Pledge Agreements**”).

- 4.2.2. As part of its operations, the Company will be entitled to decide on the use of individual trademarks mentioned in subparagraph 4.2.1 item 2) of the Compositions Proposals to designate its goods or services and, should it decide to stop using any of these trademarks, it will not be required to take measures to extend protection resulting from the registration of the trademarks.
- 4.2.3. To the extent permitted by law, the Pledge Agreements shall contain a limitation on the possibility of disposal and further encumbrance of the pledged items, as well as the possibility of satisfying the pledge holder by his taking possession of the pledged items or sale thereof through a public tender.
- 4.2.4. The Company undertakes, within 10 weeks of the date of Composition Validation Date, to submit duly paid applications for the entry of the Registered Pledges into registers kept by the competent courts or other competent authorities.
- 4.2.5. For the avoidance of doubt, the law firm Gessel, Kozirowski sp. k. is authorized, as the pledge administrator, to secure claims of the Creditors belonging to Group I, Group IV or Group V with the Registered Pledges and to exercise on its own behalf, but on the account of these creditors, the rights and obligations of the pledgee. The Company shall be charged with expenses related to performance of the activities provided for in this paragraph 4.2, in particular expenses related to the establishment of the Registered Pledges, conclusion and performance of the Pledge Agreements, appointment and covering remuneration and costs of the pledge administrator. If the expenses referred to in the previous sentence are borne by a Creditor belonging to Group I, Group IV or Group V, the Company - immediately upon receipt of a written request - shall return to it a sum of money equal to the amount of the expenses incurred.

APPENDIX 1

PROCEEDINGS RELATING TO UNDUE TAX

1. Control proceedings instituted by the Director of the Tax Control Office in Olsztyn. The control proceedings were conducted to establish accuracy of the taxation bases declared and correctness of calculating and paying the tax on goods and services for the period from 1 July 2011 to 31 January 2012, case reference number: UKS2891/W2P1/42/140/14. Decision No. UKS2891/W2P1/42/140/14/181/025 was issued on 7 June 2016. The Company appealed to the Tax Chamber in Warsaw. By decision of 24 October 2016, the Director of the Tax Chamber in Warsaw upheld the decision of the Director of the Tax Control Office in Olsztyn. The Company filed a complaint against this decision to the Voivodship Administrative Court in Warsaw. By judgment of 28 December 2017, issued in the case reference No. III SA/Wa130/17, the Voivodship Administrative Court in Warsaw dismissed the Company's complaint. The Company filed a cassation complaint against this judgment to the Supreme Administrative Court. The complaint was duly paid. The Company was not notified about the date of the hearing.
2. Control proceedings instituted by the Director of the Tax Control Office in Warsaw. The control proceedings were conducted to establish accuracy of the taxation bases declared and the correctness of calculating and paying the tax on goods and services for the months of January and February 2013. Case reference number: UKS1491/W4P3/42/17/13. Decision No. UKS1491/W4P3/42/17/13/249/025 dated 29 June 2016 was issued. The debtor appealed to the Tax Chamber in Warsaw. By decision of 14 March 2018, the Director of the Tax Chamber in Warsaw upheld the decision of the Director of the Tax Control Office in Warsaw. The Company filed a complaint against this decision to the Voivodship Administrative Court in Warsaw. The complaint was duly paid. The Company was not notified about the date of the meeting.
3. Control proceedings initiated by the Head of the Mazowiecki Customs and Tax Office in Warsaw. The control proceedings were conducted to establish accuracy of the declared tax bases and the correctness of calculating and paying the tax on goods and services for the period from August to December 2010. Case reference number: 448000-CKK2-5.500.28.2017. Decision No. 448000-CKK2-5.500.28.2017.16 was issued on 4 January 2018. The debtor appealed to the Tax Chamber in Warsaw. By decision of 20 April 2018, the Director of the Tax Administration Chamber in Warsaw upheld the decision of the Head of the Mazowiecki Customs and Tax Office in Warsaw. The Company filed a complaint against this decision to the Voivodship Administrative Court in Warsaw. The complaint was duly paid. The Company was not notified about the date of the hearing.