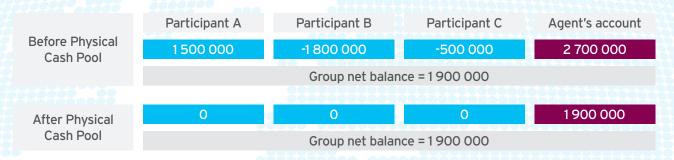
## **Physical Cash Pooling**

Physical Cash Pooling (Target Balancing) is a liquidity management solution that ensures the physical consolidation of funds, hence enabling the efficient management of funds within a group.

The service is offered to a group of related entities ("Participants") wherein one of the participants acts as the agent ("Agent"). The pooling of balances in the Participants' bank accounts, which is effected at the end of each business day, is conducted as follows:

- a negative balance in the Participant's account is zeroed by an automatic credit transfer from the Agent's account;
- a positive balance in the Participant's account is zeroed by an automatic debit transfer to the Agent's account.

Additionally, the bank may provide a service consisting of the allocation of interest on the balances of individual Participants within the framework of the solution. Interest will be posted on a monthly basis, after the end of the billing period. The debt limits granted by the bank within the framework of separate agreements may additionally be accounted for in the Cash Pool. However, Cash Pool is an independent solution and does not require a credit facility for its proper operation and thus it should be treated as a separate service.



If you are interested in the service, please contact your Relationship Manager.

Fees and charges for using the service are listed in the "Excerpt from the Table of Banking Fees and Commissions" available in the Client Zone on the www.citihandlowy.pl/strefaklienta website. The available functionality, requirements and terms and conditions of using the service as well as the associated risks will be discussed in detail during direct contact with Clients who are interested in this service.

## Benefits:

- optimizing financial flows within the company;
- interest advantages minimizing interest costs and maximizing interest income;
- centralized management of company finances;
- no credit facility requirement;
- the ability to adapt the structure to individual needs.

Although we believe the information contained in this document to be reliable, we make no representation with respect to the accuracy or completeness of any information presented in this document or provided by us in another way. Bank Handlowy w Warszawie S.A. is not the Client's tax, legal or accounting advisor or agent. Therefore the Client should, before the conclusion of the proposed transaction, determine the economic risks and benefits as well as the legal, tax and accounting characteristics and consequences of the transaction rather than being guided by the information provided by us or our partners, and should independently decide whether it is able to accept these risks. In this respect, by accepting these materials, the Client acknowledges that it has been informed that (a) our activities do not include providing legal, tax or accounting advice; (b) the Client understands that the transaction may involve legal, tax or accounting risks; (c) the Client should consult a legal, tax or accounting advisor who is properly qualified to assess the risks associated with the transaction; (d) the Client should inform the management of its organization on the legal, tax and accounting advice (and, if applicable, advice concerning the risks) obtained in connection with the transaction, and should also convey our concerns regarding these matters. The terms set forth in this document are only a proposal for further discussion and are subject to the final terms of the transaction to be included in the final agreement and/or confirmation. This proposal shall not be construed as a sales offer or an encouragement to take advantage of the transaction within the meaning of the Polish Civil Code, and is not binding on Bank Handlowy w Warszawie S.A., Citibank N.A., Citigroup Inc. or any of their subsidiaries or branches. Our company and our affiliates may act as principals or agents in similar transactions or transactions involving the instruments underlying the proposed transaction.

