

RESOLUTION NO. 02/12/15
of the Management Board
of Dom Development S.A. with its registered seat in Warsaw
held on 7 December 2015
on a justification of the drafts of the resolutions to be adopted by the Extraordinary
General Shareholders Meeting of Dom Development S.A. on 26 January 2016

The Management Board of Dom Development Spółka Akcyjna with its registered seat in Warsaw, acting pursuant to point 2.2 of the Dom Development S.A. Shareholders Meeting Bylaws, adopts as follows:

§ 1

1. The Management Board of Dom Development Spółka Akcyjna with its registered seat in Warsaw, hereby presents a justification of the drafts of the resolutions of the Extraordinary General Shareholders Meeting of Dom Development S.A. with its registered seat in Warsaw dated 26 January 2016 on acceptance of the agenda of the Extraordinary General Shareholders Meeting, on revoking the secrecy of ballots for the resolution, on appointing the Returning Committee and on appointing the Returning Committee.

The resolutions on acceptance of the agenda of the Extraordinary General Shareholders Meeting, on revoking the secrecy of ballots for the resolution, on appointing the Returning Committee and on appointing the Returning Committee arise through the formal course of the meeting and approval of them is in accordance with the Commercial Companies Code and the Dom Development S.A. Shareholders Meeting Bylaws.

2. The Management Board of Dom Development S.A. with its registered seat in Warsaw hereby presents a justification of the draft of the resolution of the Extraordinary General Shareholders Meeting of Dom Development S.A. with its registered seat in Warsaw dated 26 January 2016 on amendment of the Supervisory Board members remuneration.
 - 1) The current rules concerning remuneration of the Supervisory Board members of Dom Development S.A., excluding the remuneration of the Chairman of the

Supervisory Board of Dom Development S.A. established based on resolution no 5 of the Extraordinary General Shareholders Meeting of Dom Development S.A. of 16 September 2008 on settlement of the remuneration of Chairman of the Supervisory Board of Dom Development S.A., were determined nine years ago based on resolution no 10 of the Extraordinary General Shareholders Meeting of Dom Development S.A. of 9 August 2006 on approval for increase of remuneration for the Supervisory Board members, under which the remuneration of the Supervisory Board members is PLN 6,000.00 (in words: six thousand zlotys) gross monthly.

- 2) Beginning from January 2015, net remuneration of the Supervisory Board members has actually decreased as a result of entering into force of new provisions i.e. on 23 October 2014 the Polish Parliament passed an amendment to the law on the Polish social insurance system and some other acts (Journal of Laws 2014, item 1831, the "Act"). One of the amendments introduced by the Act is the requirement for capital companies to pay to the Social Insurance Institution the retirement and pension insurance premiums of the Supervisory Board members' remunerations. As a result of the above-mentioned amendment, beginning from 2015, arose the necessity to reduce the net remuneration paid so far to the Supervisory Board members by the amount which is the social insurance premium (retirement and pension). In the Management Board of Dom Development S.A.'s view the Supervisory Board members remuneration should be increased and the amendment of the provisions within the obligation to pay social insurance premiums of incomes from their position as member of the Supervisory Board should not have a negative effect on its members.
- 3) The remuneration has actually decreased as a result of inflation throughout the last nine years. Beginning from 2006 i.e. the moment the current Supervisory Board members remunerations were established, the inflation announced by the Central Statistical Office (for goods and consumption services) has been 25.1%, which significantly decreases the actual value of the remuneration received by the Supervisory Board members of Dom Development S.A. In the view of the Management Board of Dom Development S.A. the Supervisory Board members remuneration should be increased to eliminate the negative influence of inflation.
- 4) The increase of Dom Development S.A.'s operational activity has an influence on the complexity and diversity of the areas and issues which are within the remit of

the Supervisory Board of Dom Development S.A. – which causes an increased scope of obligations of the Supervisory Board members of Dom Development S.A. In the view of the Management Board of Dom Development S.A. the Supervisory Board members remuneration should be increased to relate properly to the increase of the scope of obligations.

- 5) In the view of the Management Board of Dom Development S.A. adoption of this resolution is also justified by the good economic situation of Dom Development S.A. and its results reached in previous years.
- 6) Therefore the Management Board of Dom Development S.A. proposes that the General Shareholders Meeting adopts that the remuneration of the Supervisory Board member, excluding the remuneration of the Chairman of the Supervisory Board of Dom Development S.A., beginning from January 2016, amounts to PLN 9,200.00 (in words: nine thousand and two hundred Polish zlotys) gross monthly.

§ 2

Drafts of the resolutions described in the § 1 above are attached to the resolution no. 01/12/15 of the Management Board of Dom Development S.A. dated 7 December 2015 on the justification of the request to call the Extraordinary General Shareholders Meeting of Dom Development S.A. on 26 January 2016 and specified issues put to the agenda.

§ 3

The resolution shall become effective upon its adoption.