

This is a translation from the original Supplement dated 30 November 2015 and should not be read in substitution of the original Supplement. This translation of the original Supplement dated 30 November 2015 does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Offer or to subscribe or purchase of any of the Mortgage and Public Sector Covered Bonds.

## Supplement

Supplement dated 30 November 2015

### **mBank Hipoteczny S.A.**

Issue of Mortgage Covered Bonds for a total amount of PLN 255,000,000 Series HPA27  
under the Covered Bond Issue Programme of up to PLN 6,000,000,000

This document is a Supplement to the Terms and Conditions of Covered Bond Issues contained in the Issuer's Issue Prospectus approved by the Financial Supervision Authority by virtue of Decision No. DEM/WE/410/36/24/09, dated 28 October 2009 ("the Prospectus"). The terms used in this document shall be deemed defined terms for the purposes of the Issue Terms and Conditions set forth in the Prospectus.

Mortgage Covered Bonds Series HPA27 are being issued within the Bearer Public Sector and Mortgage Covered Bond Programme, under which the Issuer is authorised to issue Public Sector and Mortgage Covered Bonds up to the total par value of PLN 6,000,000,000 or its equivalent in other currencies specified in the Prospectus.

This document contains the detailed terms of the offer of Mortgage Covered Bonds Series HPA27 issued within the scope of the Bearer Public Sector and Mortgage Covered Bond Programme, pursuant to art. 24 item 1 of the Act on Public Offering.

THIS SUPPLEMENT CONTAINING THE FINAL TERMS OF THE OFFER OF THE MORTGAGE COVERED BONDS SERIES HPA27 WAS PREPARED FOR THE PURPOSES SPECIFIED IN ART. 5 ITEM 4 OF THE DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND THE COUNCIL. THE SUPPLEMENT CAN BE TREATED AS A SOURCE OF FULL INFORMATION ON THE ISSUER AND THE OFFERING OF COVERED BONDS ONLY IF READ TOGETHER WITH THE BASE PROSPECTUS. THE BASE PROSPECTUS IS AVAILABLE IN ELECTRONIC FORM AT THE WEBSITES OF THE ISSUER AND ENTITIES PARTICIPATING IN THE SUBSCRIPTION FOR COVERED BONDS. A HARDCOPY OF THE BASE PROSPECTUS IS AVAILABLE AT THE REGISTERED OFFICES OF THE ISSUER AND THE OFFEROR, AT THE INFORMATION CENTRE OF THE FINANCIAL SUPERVISION AUTHORITY, AT THE REGISTERED OFFICE OF BONDSPOT S.A. OR THE WARSAW STOCK EXCHANGE.

#### **1. Rights and obligations under Series HPA27 Mortgage Covered Bonds and dates as of which the rights accrue and the obligations should be performed**

The rights and obligations under Mortgage Covered Bonds are described in the Issue Terms and Conditions of Covered Bonds contained in the Programme's Prospectus. The final Issue Terms and Conditions of Series HPA27 Mortgage Covered Bonds presented below are supplementary to the Issue Terms and Conditions specified in the Prospectus.

#### ***Final Terms and Conditions of Series HPA27 Mortgage Covered Bonds ("CB")***

The capitalised terms presented below have the meaning defined in the Issue Terms and Conditions.

Issuer:	mBank Hipoteczny S.A.
Type, series, CB number:	Mortgage Covered Bonds of Series HPA27
Total par value of CBs being issued:	PLN 255,000,000
Nominal value per CB	PLN 1,000
Issue Price (selling price) per CB:	100% of the par value per CB
Issue Date:	2 December 2015
Interest Commencement Date:	Issue Date
Maturity Date:	20 September 2021
Interest:	Variable Interest Rate being a sum of WIBOR reference rate + 1.15 % p.a. WIBOR reference rate means 3M WIBOR

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## **PROVISIONS CONCERNING INTEREST**

### **Provisions concerning Variable Rate Covered Bonds**

Interest Periods:	The period beginning on the Interest Commencement Date (including that date) and ending on the first Interest Payment Date (but excluding that date) and any subsequent period beginning on a given Interest Payment Date (including that date) and ending on the next Interest Payment Date (but excluding that date).
Interest Payment Dates:	20 December, 20 March, 20 June, 20 September in each year (adjusted in line with the Business Day Convention), provided that the last Interest Payment Date falls on the Maturity Date.
Business Day Convention:	Following Business Day Convention, i.e. if payment under CB is due on a day which is not a Business Day, such payment or action shall be moved to the next Business Day.
Day Count Convention:	Actual/365 (Fixed)
Interest Period Change Date:	Each Interest Payment Date
Relevant time:	At 11.00 a.m. Warsaw time
Interest Fixing Date:	A day falling two Business Days prior to the first day of the relevant Interest Period
Screen:	The page WIBOR of Reuter's screen or the successor to such page
Reference Banks:	PKO BP S.A., Bank Pekao S.A., Bank Handlowy w Warszawie S.A.

### **Provisions concerning maturity and redemption of CBs**

Maturity Amount:	PLN 255,000,000
Maturity Amount per CB:	PLN 1,000
Maturity Date:	20 September 2021
Redemption of Covered Bonds	<p>The Holder of Covered Bonds may not, subject to mandatory provisions of law, submit its Covered Bonds for repurchase before the Maturity Date.</p> <p>In order to assure compliance of actions with the provisions of Art. 18 of the Covered Bond Act pursuant to Art. 21 sec 1 of the Covered Bond Act the Issuer may request the Holders to present the Covered Bonds for their repurchase by the Issuer in order for their redemption before the Maturity Date. Repurchase of Covered Bonds may be effected on the Redemption Date by paying the Redemption Amount, provided that the Issuer notifies of the redemption in a form of a current report not later than 7 Business Days before the Redemption Date.</p>

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**Other provisions:**

Final Terms and Conditions of Series HPA27 and the Prospectus were prepared in Warsaw.

On behalf of the Issuer:

\_\_\_\_\_  
By Authorised Representative

**2. Issuer**

mBank Hipoteczny Spółka Akcyjna, registered office in Warsaw

**Address:** Al. Armii Ludowej 26, 00-609 Warsaw

**Telephone and fax numbers:** + 48 22 579 7500/01

**Website:** www.mhipoteczny.pl

**3. Rating assigned to the Issuer and Series HPA27 Mortgage Covered Bonds**

3.1 The Issuer has a long-term international rating (IDR) at the level of 'BBB-' with positive outlook, short-term international rating (IDR) at the level of 'F3' and support rating at the level of '2'. Mortgage Covered bonds have a rating of 'BBB' by Fitch Ratings with positive outlook. Rating for Series HPA27 Mortgage Covered Bonds will be confirmed on Issue Date.

**4. Number, type, unit par value and designation of the issue of Covered Bonds**

The Base Prospectus approved by the Financial Supervision Commission on 28 October 2009, this Supplement, the resolution of the Issuer's Management Board No 129/2015 of 13 November 2015 concerning the issue of Series HPA27 mortgage covered bonds and the resolution of the Issuer's Management Board No 142/2015 of 26 November 2015 concerning the amendment to the resolution of the Issuer's Management Board No 129/2014 of 13 November 2015 concerning the issue of Series HPA27 mortgage covered bonds provide the basis for the offering of Series HPA27 bearer Mortgage Covered Bonds numbered from 1 (one) to 255,000 (two hundred fifty five thousand), with the unit par value of PLN 1,000 and the total par value of PLN 255,000,000.

Series HPA27 Mortgage Covered Bonds are issued as part of the Covered Bond Issue Programme, on the basis of the Prospectus. As part of the Programme, the Issuer may issue up to 6,000,000 Mortgage or Public Sector Covered Bonds with a total par value of up to PLN 6,000,000,000.

The Issue Prospectus for the Covered Bond Issue Programme was made available on 3 November 2009 at the Issuer's registered office, at the Dom Maklerski mBanku S.A. (formerly: DI BRE) registered office situated at ul. Wspólna 47/49, Warsaw, at the Information Centre of the Financial Supervision Authority at Plac Powstańców Warszawy 1, Warsaw, at the offices of BondSpot S.A. at Al. Armii Ludowej 26, Warsaw / a company Giełda Papierów Wartościowych S.A. (Warsaw Stock Exchange) at ul. Książęca 4, Warsaw. The Prospectus for the Programme has been published at the Issuer's website www.rhb.com.pl (at present www.mhipoteczny.pl).

**5. Collateral for Series HPA27 Mortgage Covered Bonds**

The basis for the issue of Mortgage Series HPA27 Covered Bonds are the Issuer's claims under loans advanced by the Issuer; the claims are entered in the covered bond collateral register maintained by the Issuer. The claims entered in the covered bond collateral register are also the basis for all other covered bond issues by the Issuer.

**5.1 Mortgage Covered Bonds**

**5.1.1 General description of claims under mortgage-backed loans.**

As at 30.10.2015, the Issuer's portfolio of claims under mortgage-backed loans granted by the Issuer and entered in the covered bond collateral register comprises claims under a total of 7,004 loan agreements.

The tables below present an overview of the claims:

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**General description of the portfolio of claims under mortgage-backed loans, representing the basis for the issue of Mortgage Covered Bonds, as at 30 October 2015 (PLN '000)**

**Currency structure and value ranges of claims securing Mortgage Covered Bonds as at 30 October 2015**

Value ranges (PLN '000)	Value of loans (PLN '000)	Value of EUR-denominated loans (PLN '000)	Value of USD-denominated loans (PLN '000)	Total
<= 250	610 742	7 236	2 171	<b>620 148</b>
250.1 - 500	651 837	7 267	666	<b>659 770</b>
500.1 - 1 000	261 922	10 700	1 212	<b>273 834</b>
1 000.1 - 5 000	182 084	180 255	9 909	<b>372 248</b>
5 000.1 - 10 000	156 225	138 834	23 568	<b>318 627</b>
10 000.1 - 15 000	184 291	262 878	13 897	<b>461 066</b>
15 000.1 - 20 000	142 680	237 829	31 271	<b>411 780</b>
20 000.1 - 30 000	171 418	367 713	0	<b>539 131</b>
30 000.1 - 40 000	183 012	384 646	0	<b>567 658</b>
40 000.1 - 50 000	45 748	455 319	0	<b>501 068</b>
> 50 000.1	0	599 364	0	<b>599 364</b>
<b>Total</b>	<b>2 589 959</b>	<b>2 652 041</b>	<b>82 693</b>	<b>5 324 693</b>
<b>Share in the portfolio (%)</b>	<b>48.64%</b>	<b>49.81%</b>	<b>1.55%</b>	

**Portfolio of claims securing Mortgage Covered Bonds by borrower as at 30 October 2015**

Borrower	Value (PLN '000)	Share in the portfolio (%)
Legal persons / sole traders	3 752 785	70.48%
Natural persons	1 571 908	29.52%
<b>Total</b>	<b>5 324 693</b>	<b>100.00%</b>

**Portfolio of claims securing Mortgage Covered Bonds by use of funds as at 30 October 2015**

Use of funds	Value (PLN '000)	Share in the portfolio (%)
Commercial real estate	3 576 534	67.17%
Residential real estate	1 748 159	32.83%
<b>Total</b>	<b>5 324 693</b>	<b>100.00%</b>

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**Portfolio of claims securing Mortgage Covered Bonds by interest rate type  
as at 30 October 2015**

<b>Interest rate type</b>	<b>Value (PLN '000)</b>	<b>Share in the portfolio (%)</b>
Variable interest rate	5 324 312	99.99%
Fixed interest rate	381	0.01%
<b>Total</b>	<b>5 324 693</b>	<b>100.00%</b>

**Portfolio of claims securing Mortgage Covered Bonds by maturity  
as at 30 October 2015**

<b>Term ranges (in years)</b>	<b>Value (PLN '000)</b>	<b>Share in the portfolio (%)</b>
0 - 2	224 746	4.22%
2 - 3	108 439	2.04%
3 - 4	121 505	2.28%
4 - 5	126 892	2.38%
5 - 10	490 451	9.21%
> 10	4 252 661	79.87%
<b>Total</b>	<b>5 324 693</b>	<b>100.00%</b>

**Portfolio of claims securing Mortgage Covered Bonds by geographical regions  
as at 30 October 2015**

<b>Province</b>	<b>Value (PLN '000)</b>	<b>Share in the portfolio (%)</b>
Wrocław Province	782 323	14.69%
Bydgoszcz Province	84 257	1.58%
Lublin Province	117 492	2.21%
Zielona Góra Province	14 804	0.28%
Łódź Province	196 685	3.69%
Kraków Province	545 194	10.24%
Warsaw Province	1 811 985	34.03%
Opole Province	98 086	1.84%
Rzeszów Province	77 761	1.46%
Białystok Province	20 551	0.39%
Gdańsk Province	411 176	7.72%
Katowice Province	338 740	6.36%
Kielce Province	76 217	1.43%

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Olsztyn Province	50 058	0.94%
Poznań Province	495 689	9.31%
Szczecin Province	203 676	3.83%
<b>Total</b>	<b>5 324 693</b>	<b>100.00%</b>

**Portfolio of claims securing Mortgage Covered Bonds by progress of investment as at 30 October 2015**

<b>Progress of investment</b>	<b>Value (PLN '000)</b>	<b>Share in the portfolio (%)</b>
Projects under construction	557 820	10.48%
Completed projects	4 766 873	89.52%
<b>Total</b>	<b>5 324 693</b>	<b>100.00%</b>

Source: the Issuer

5.1.2 General description of acquired claims under other bank's mortgage-backed loans

As at 30 October 2015, the Issuer has claims (under other bank's mortgage-backed loans) purchased from other banks under a total of 2,346 loan agreements, which have been entered in the covered bond collateral register.

**6. Selling Price of Series HPA27 Mortgage Covered Bonds**

The selling price of Series HPA27 Mortgage Covered Bonds is PLN 1,000 per a Series HPA27 Mortgage Covered Bond.

**7. Information on the Terms and Conditions of the Offering (Firm Commitment Underwritten Offering)**

7.1 Terms and Conditions, Parameters and Expected Schedule of the Offering, Actions Connected with Placement of Orders

7.1.1 Issue Size

As part of this Series HPA27 of Covered Bonds, no more than 255,000 Mortgage Covered Bonds are being sold and 255,000 Mortgage Covered Bonds are being offered in a Firm Commitment Underwritten Offering.

7.1.2 Closing and Opening Dates of the Offering and Subscription Procedure

**A. Dates and place for acceptance of subscription orders for Covered Bonds**

*Offering addressed to Invited Investors and Institutional Investors*

Authorised persons will be able to place orders for Series HPA27 Covered Bonds on 30 November 2015 (13.00-15.00) at the following place:

- mBank's S.A. brokerage house situated at ul. Senatorska 18, Warsaw.

**B. Rules Governing Placement of Subscription Orders for Covered Bonds**

*Offering addressed to Invited Investors and Institutional Investors*

Subscription orders for Series HPA27 Covered Bonds purchased from the Firm Commitment Underwriter shall be accepted from the investors to whom Invitations were sent in accordance with the rules set forth in Chapter XVII, Section 1.1.3, letter B of the Base Prospectus and from Institutional Investors.

The investor shall be entitled to place a subscription order for Covered Bonds in the number equal to the number of Covered Bonds specified in the Invitation sent to such an investor and not exceeding the number of Covered Bonds the investor declared to purchase during the bookbuilding process.

Placement by an investor of an order for a number of Covered Bonds lower than specified in the Invitation or payment by the investor for a number of Covered Bonds lower than specified in the Invitation may lead to a situation where the investor will be allotted no Covered Bonds. Nonetheless, the Firm Commitment Underwriter may decide to allot Covered Bonds in the number

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resulting from the payment made by the investor. Placement of a subscription order for a number of Covered Bonds higher than specified in the Invitation will be regarded as a subscription order for the number of Covered Bonds specified in the Invitation.

Institutional Investors who did not participate in the bookbuilding process or who did participate in the bookbuilding process but did not receive the Invitation may place subscription orders on general terms for not less than 255 Covered Bonds and not more than the aggregate number of Covered Bonds offered by the Firm Commitment Underwriter.

Institutional Investors who, irrespective of their participation in the bookbuilding process or receipt of an Invitation, placed the subscription for Covered Bonds on general terms, should read the rules for the allocation of the Covered Bonds contained in this Supplement.

In order to place a subscription order, an investor should fill in a form including the following details:

- Investor's details:
  - first name and surname of natural person / name of legal person / name of unincorporated organisational unit,
  - place of residence / registered office, address
  - address for correspondence,
  - Personal Identification Number (PESEL) and identification document number or passport number (in the case of natural persons) / Industrial Identification Number (REGON) or other identification number (in the case of Polish legal persons)/(unincorporated organisational units) or number in the relevant register in the country of origin (in the case of foreign legal persons),
  - foreign exchange status (information whether the investor is a resident or non-resident within the meaning of the Foreign Exchange Act),
- number of subscribed Covered Bonds;
- purchase price per Covered Bond of a given series;
- aggregate amount of the payment made for Covered Bonds;
- information on the account to which a return of payment, if any, should be made;
- representation to the effect that the investor is familiar with the Prospectus and the Supplement, including the risk factors described therein, and accepts the terms and conditions governing the acquisition of Covered Bonds;
- Date and signature of the persons placing the subscription order.

Persons placing orders on behalf of a legal person or an unincorporated organisational unit should, no later than at the time of submitting the order, provide valid documents confirming their authorisation to represent the investor as well as documents which are required under applicable laws and regulations to effectively purchase Covered Bonds, unless such documents have been already provided in connection with another transaction and can be regarded as valid and up to date.

The form of a subscription order for Covered Bonds purchased from the Firm Commitment Underwriter shall be provided by the mBank's S.A. brokerage house.

Any consequences of an inaccurate filling in of the subscription order form shall be borne by the person placing the order.

Subscription orders may be placed by fax if the agreement executed by the Invited Investor and the entity accepting the order provides for such a possibility.

The subscription for Covered Bonds shall be irrevocable, unconditional and may not contain any reservations. However, investors should note that pursuant to Art. 51a of the Public Offering Act in the event that a supplement to a prospectus is published after the opening of the subscription or sale, a person who submitted a subscription order before the supplement is made available may avoid the legal effect of the subscription by submitting a relevant written statement to one of the Customer Service Points of the investment firm acting as the offeror with respect to the securities within the period specified in the annex to the Prospectus, not shorter than two business days following the date on which the annex to the Prospectus was published. The right to avoid the legal effect of a subscription order does not apply if a supplement is made available in connection with any misstatements in a prospectus of which the issuer or the selling shareholder became aware following the allotment of securities or circumstances arising, or of which the issuer or the selling shareholder became aware, following such allotment. The issuer or the selling shareholder may allot securities no earlier than following the end of the period during which an investor may avoid the legal effect of the subscription order.

Considering that payment for Series HPA27 Covered Bonds will be made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and the entity representing the Firm Commitment Underwriter (*delivery versus payment*), the investor shall be required to indicate in the subscription form the securities account for the purpose of settlement of payments and settlement of Series HPA27 Covered Bonds and the name of the brokerage house/bank maintaining the account; otherwise, the subscription order shall be invalid.

#### *Acting through a proxy*

Investors may acquire Series HPA27 Covered Bonds through a proxy. Acting through a proxy is subject to the rules and regulations of the entity at which investors intend to subscribe for Covered Bonds.

The number of powers of proxy is not limited.

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#### 7.1.3 Reduction of subscription orders and return of overpayments to investors

##### *Offering addressed to Invited Investors and Institutional Investors*

Covered Bonds of Series HPA27 shall first be allotted among investors who have participated in the bookbuilding process and on the basis of received Invitations duly placed the subscription orders and paid for the Covered Bonds of Series HPA27. In relation to these Invited Investors Series HPA27 Covered Bonds shall be allotted in the number specified in the subscription orders. Covered Bonds of Series HPA27 may also be allotted, at the discretion of the Firm Commitment Underwriter, to other investors, who duly placed and paid for the subscription orders.

If an investor purchasing Series HPA27 Covered Bonds from the Firm Commitment Underwriter makes a payment exceeding the amount payable pursuant to the rules contained in this Supplement, the overpayment shall be returned by the entity with which the investor placed the subscription order to the account specified by the investor in the subscription order within seven business days from the allotment date of a given series.

Considering that payment for Series HPA27 Covered Bonds will be made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and the entity representing the Firm Commitment Underwriter (delivery versus payment), in order to pay for the Covered Bonds subscribed for, the investor shall be required to issue a settlement instruction in accordance with the parameters specified in the Invitation. If a clearing instruction is issued with different parameters, this may result in the subscription order not being paid up in due time and the investor not being allotted the Series HPA27 Covered Bonds subscribed for

#### 7.1.4 Minimum and Maximum Subscription Size

##### *Offering addressed to Invited Investors and Institutional Investors*

An Invited Investor shall be authorised to subscribe for the number of Covered Bonds specified in the Invitation sent to such investor, which shall not exceed the number of Covered Bonds which the investor declared to purchase during the bookbuilding process.

Institutional Investors who did not participate in the bookbuilding process or who did participate in the bookbuilding process but did not receive the Invitation may place subscription orders on general terms for not less than 255 Covered Bonds and not more than the aggregate number of Covered Bonds offered by the Firm Commitment Underwriter.

#### 7.1.5 Time and Manner of Payment; Delivery of Securities

##### *Offering addressed to Invited Investors and Institutional Investors*

Payment for Covered Bonds purchased by Invited Investors and Institutional Investors from the Firm Commitment Underwriter should be made in full, in PLN in the manner which will ensure that not later than on 2 December 2015 until 10.30 a.m. the funds have been deposited in the account of an entity who collected the subscription orders for Series HPA27 Covered Bonds.

Payment for Series HPA27 Covered Bonds shall be made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and the entity representing the Issuer (*delivery versus payment*). In order to pay for the Series HPA27 Covered Bonds subscribed for the investor shall be required to issue a settlement instruction at the time and with the parameters indicated in the Invitation.

A full payment shall be understood as the payment of an amount equal to the product of the number of Series HPA27 Covered Bonds specified in the Invitation to place a subscription order sent to the Invited Investor or the number of Series HPA27 Covered Bonds specified in the subscription order form delivered by the Institutional Investor, and the Selling Price per Series HPA27 Covered Bond.

Information on the manner of payment for Covered Bonds purchased by an investor from the Firm Commitment Underwriter shall be available from mBank's S.A. brokerage house during the subscription period for Series HPA27 Covered Bonds and, in addition, shall be provided to investors in the Invitation to place a subscription order.

### **Delivery of Securities**

The Issuer shall apply to the Polish NDS for the conclusion of an agreement on registration of Covered Bonds of a given series with the Polish NDS. Upon allotment of Covered Bonds of a given series, the Issuer and the Firm Commitment Underwriter shall take action to promptly have the Covered Bonds deposited in the investment accounts of the persons to whom they were allotted.

Registration of Series HPA27 Covered Bonds with the Polish NDS shall take place following the clearing and settlement by the Polish NDS of transactions executed as part of the Offering, resulting in the registration of Series HPA27 Covered Bonds in the registration accounts of participants simultaneously with debiting of their cash accounts, i.e. registration shall take place upon submission to the Polish NDS by the entity maintaining the investor's securities account of a settlement instruction made out in accordance with the settlement instruction issued by and the entity representing the Firm Commitment Underwriter, and upon payment for Series HPA27 Covered Bonds.

Considering that registration of Series HPA27 Covered Bonds will be made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and the entity representing the Firm Commitment Underwriter (delivery versus payment), the investor shall be required to indicate the securities account for the purpose of settlement of payments and settlement of Series HPA27 Covered Bonds.

#### 7.1.6 Manner and Time of Publishing Information on the Results of the Public Offering



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The results of the public offering of Series HPA27 Covered Bonds shall be published by the Issuer in a current report within fourteen days from the closing of subscription for Series HPA27 Covered Bonds.

#### 7.1.7 Investors to whom the Offering is Addressed

The Offering of Series HPA27 Covered Bonds is addressed to:

- Invited Investors, i.e. natural persons, legal persons and their unincorporated organisational units, both residents and non-residents within the meaning of the Foreign Exchange Act, who may subscribe for Covered Bonds in accordance with the terms and conditions set forth in the Prospectus.
- Institutional Investors, i.e. legal persons, both residents and non-residents within the meaning of the Foreign Exchange Act, who may subscribe for Covered Bonds in accordance with the terms and conditions set forth in the Prospectus.

#### 7.1.8 Notification of the Number of Allotted Securities

An investor is entitled to receive information on the number of allotted Covered Bonds at the offices of the entity maintaining the investor's investment account and in accordance with the rules of procedure followed by that entity, and if the Covered Bonds are deposited in the issue sponsor's account – at mBank S.A. Investors should take into account that no notifications on the allotment shall be sent unless such a requirement follows from the rules of procedure effective at the entity with which the investor's subscription order was placed.

In particular, trading in Covered Bonds acquired by investors may commence before they learn of the number Covered Bonds allotted to them, since the commencement of trading in Covered Bonds is not contingent upon notifying the subscribers of the number of Covered Bonds allotted to them. Investors are therefore advised to contact the entities maintaining their investment accounts in order to obtain information on the allotment size.

#### 7.2 Selling Price of /interest rate on Covered Bonds

The selling price of Series HPA27 Covered Bonds is PLN 1,000 per a Series HPA27 Mortgage Covered Bond and the interest rate is 3M WIBOR + 1.15 p.a.

An investor placing a subscription order for Covered Bonds shall not bear any additional costs related to such order placement. It should be also noted that payments for Covered Bonds made by investors shall bear no interest, and in the case of a return of payment, an investor shall not be entitled to any interest or compensation.

#### 7.3 Placement and Underwriting

##### 7.3.1 Names and Addresses of Lead Managers of the Entire Offering and its Particular Parts:

The Public Offering's lead manager is mBank S.A., registered office at ul. Senatorska 18, Warsaw, Poland. mBank S.A. also participates in the Offering, as Firm Commitment Underwriter with respect to Series HPA27 Covered Bonds.

##### 7.3.2 Names and Addresses of Paying Agents and Entities Providing Deposit Services

The paying agent and the entity providing deposit services is the National Depository for Securities, registered office at ul. Książęca 4, Warsaw, Poland, as well as investment firms, clearing houses and banks keeping securities accounts in which Covered Bonds will be deposited.

##### 7.3.3 Names and Addresses of Entities Underwriting the Issue on a Firm Commitment Basis; Names and Addresses of Entities who Agreed to Place the Offering with no Firm Commitment or on a Best Efforts Basis

The entity which undertook to place the offering with no firm commitment is mBank's S.A. brokerage house, registered office at ul. Senatorska 18, Warsaw.

The entity with which the Issuer executed a firm commitment underwriting agreement on 30 November 2015 is mBank S.A., registered office at ul. Senatorska 18, Warsaw.

##### 7.3.4 Underwriting Agreement Execution Date

The Issuer has executed a firm commitment underwriting agreement with mBank S.A. on 30 November 2015. According to the agreement, mBank S.A. undertook to acquire up to 255,000 items of the Mortgage Covered Bonds, each of them on its own behalf and on its own account, for the purpose of their further disposal to the Investors, and the Issuer undertook to allocate this number of the Mortgage Covered Bonds to mBank S.A. as the Underwriter. The number of the Mortgage Covered Bonds, which shall be allocated to mBank S.A., shall be not less than the number of the Mortgage Covered Bonds with respect to which the Declarations to Acquire Mortgage Covered Bonds shall be previously filed by the Investors approved by mBank S.A. and with respect to which mBank S.A. or the Offering Party sent the Invitation to Subscribe but no more than 255,000 items of the Mortgage Covered Bonds.

On the Supplement publication date on account of the services provided for in the Underwriting Agreement the Issuer undertook to pay in favour of the Underwriter the remuneration in the amount not exceeding PLN 444,119.18.

On the Supplement publication date the Issuer also undertook to pay in favour of the Offering Party and the Underwriter the commission on account of the placement of the mortgage covered bonds which shall not exceed PLN 416,119.18.

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## **8. Admission of Securities to Trading; Trading-Related Arrangements**

### **8.1 Indication whether the offered securities are or will be the subject of an application for admission to trading**

The Issuer's intention is that Covered Bonds be admitted and introduced to trading on the regulated market. The Issuer intends to submit relevant applications for admission and introduction of Covered Bonds to trading up to 14 Days upon the allotment of Series HPA27 Covered Bonds.

The Issuer's intention is that Covered Bonds be admitted and introduced to trading on the regulated market Catalyst.

### **8.2 Regulated markets or equivalent markets on which, to the Issuer's knowledge, securities of the same class as the securities that are being offered or admitted to trading are admitted to trading.**

In the past, the Issuer issued covered bonds which were admitted to trading on the regulated market operated by BondSpot S.A., previously known as MTS-CeTO S.A.

Under the programme of bearer mortgage bonds of the total nominal value of PLN 500,000,000 approved by Decision No. DSP/E/412/18/02/2/2003 of 25th February 2003, by the Securities and Exchanges Commission, the Bank issued the following mortgage covered bonds series :

- PA1, in amount of PLN 200,000,000, traded under the code PLRHNHP00011
- PA2, in amount of PLN 200,000,000, traded under the code PLRHNHP00029
- PA3, in amount of PLN 100,000,000, traded under the code PLRHNHP00037

The mortgage covered bonds series PA1, in amount of PLN 200,000,000, traded under the code PLRHNHP00011 were redeemed by Issuer on 10th April 2008, according to the terms and conditions of the issue.

The mortgage covered bonds series PA2, in amount of PLN 200,000,000, traded under the code PLRHNHP00029 were redeemed by Issuer on 10th October 2008, according to the terms and conditions of the issue.

The mortgage covered bonds series PA3, in amount of PLN 100,000,000, traded under the code PLRHNHP00037 were redeemed by Issuer on 12th April 2010, according to the terms and conditions of the issue.

Under the covered bonds programme of bearer mortgage and public sector covered bonds of the total nominal value of PLN 2,000,000,000 approved Decision No. DEM/410/090/15/07 of 14th June 2007, by the Financial Supervision Authority, the Bank issued the following covered bonds series :

- public sector covered bonds
  - PUA1, in amount of PLN 100,000,000, traded under the code PLRHNHP00045
  - PUA2, in amount of PLN 200,000,000, traded under the code PLRHNHP00052
  - PUA3, in amount of PLN 170,000,000, traded under the code PLRHNHP00078
  - PUA4, in amount of PLN 100,000,000, traded under the code PLRHNHP00110
- mortgage covered bonds
  - HPA1, in amount of PLN 170,000,000, traded under the code PLRHNHP00060
  - HPA2, in amount of PLN 200,000,000, traded under the code PLRHNHP00086
  - HPA3, in amount of PLN 250,000,000, traded under the code PLRHNHP00094
  - HPA4, in amount of PLN 200,000,000, traded under the code PLRHNHP00102
  - HPA5, in amount of PLN 150,000,000, traded under the code PLRHNHP00128
  - HPA6, in amount of PLN 60,000,000, traded under the code PLRHNHP00136
  - HPA7, in amount of PLN 300,000,000, traded under the code PLRHNHP00144

The mortgage covered bonds series HPA2, in amount of PLN 200,000,000, traded under the code PLRHNHP00086 were redeemed by Issuer on 28th September 2010, according to the terms and conditions of the issue.

The mortgage covered bonds series HPA1, in amount of PLN 170,000,000, traded under the code PLRHNHP00060 were redeemed by Issuer on 29th November 2010, according to the terms and conditions of the issue.

The public sector covered bonds series PUA3 in amount of PLN 170,000,000, traded under the code PLRHNHP00078 were redeemed by Issuer on 29th November 2010, according to the terms and conditions of the issue.

The mortgage covered bonds series HPA3, in amount of PLN 250,000,000, traded under the code PLRHNHP00094 were redeemed by Issuer on 28th April 2011, according to the terms and conditions of the issue.

The mortgage covered bonds series HPA6, in amount of PLN 60,000,000, traded under the code PLRHNHP00136 were redeemed by Issuer on 16th May 2011, according to the terms and conditions of the issue.

The mortgage covered bonds series HPA4, in amount of PLN 200,000,000, traded under the code PLRHNHP00102 were redeemed by Issuer on 15th June 2011, according to the terms and conditions of the issue.

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The mortgage covered bonds series HPA5, in amount of PLN 150,000,000, traded under the code PLRHNHP00128 were redeemed by Issuer on 7th October 2011, according to the terms and conditions of the issue.

The mortgage covered bonds series HPA7, in amount of PLN 300,000,000, traded under the code PLRHNHP00144 were redeemed by Issuer on 15th June 2012, according to the terms and conditions of the issue.

The public sector covered bonds series PUA1, in amount of PLN 100,000,000, traded under the code PLRHNHP00045 were redeemed by Issuer on 27th July 2012, according to the terms and conditions of the issue.

The public sector covered bonds series PUA2, in amount of PLN 200,000,000, traded under the code PLRHNHP00052 were redeemed by Issuer on 28th September 2012, according to the terms and conditions of the issue.

The public sector covered bonds series PUA4, in amount of PLN 100,000,000, traded under the code PLRHNHP00110 were redeemed by Issuer on 20th September 2013, according to the terms and conditions of the issue.

Under the covered bonds programme of bearer mortgage and public sector covered bonds of the total nominal value of PLN 6,000,000,000 approved Decision No. DEM/WE/410/36/24/09 of 28th October 2009, by the Financial Supervision Authority, the Bank issued the following covered bonds series :

- mortgage covered bonds
  - HPA8, in amount of PLN 25,000,000, traded under the code PLRHNHP00151
  - HPA9, in amount of PLN 25,000,000, traded under the code PLRHNHP00169
  - HPA10, in amount of PLN 200,000,000 traded under the code PLRHNHP00177
  - HPA11, in amount of PLN 100,000,000 traded under the code PLRHNHP00185
  - HPA12, in amount of PLN 100,000,000 traded under the code PLRHNHP00193
  - HPA13, in amount of PLN 200,000,000 traded under the code PLRHNHP00219
  - HPA14, in amount of PLN 100,000,000 traded under the code PLRHNHP00227
  - HPA15, in amount of PLN 200,000,000 traded under the code PLRHNHP00235
  - HPA16, in amount of PLN 100,000,000 traded under the code PLRHNHP00243
  - HPA17, in amount of PLN 200,000,000 traded under the code PLRHNHP00250
  - HPA18, in amount of PLN 200,000,000 traded under the code PLRHNHP00268
  - HPA19, in amount of PLN 200,000,000 traded under the code PLRHNHP00276
  - HPE1, in amount of EUR 10,000,000 traded under the code PLRHNHP00300
  - HPA20, in amount of PLN 100,000,000 traded under the code PLRHNHP00318
  - HPA21, in amount of PLN 80,000,000 traded under the code PLRHNHP00326
  - HPE2, in amount of EUR 30,000,000, traded under the code PLRHNHP00334
  - HPE3, in amount of EUR 50,000,000, traded under the code PLRHNHP00342
  - HPE4, in amount of EUR 7,500,000, traded under the code PLRHNHP00359
  - HPE5, in amount of EUR 8,000,000, traded under the code PLRHNHP00367
  - HPE6, in amount of EUR 15,000,000, traded under the code PLRHNHP00375
  - HPE7, in amount of EUR 20,000,000, traded under the code PLRHNHP00383
  - HPA22, in amount of PLN 300,000,000 traded under the code PLRHNHP00391
  - HPA23, in amount of PLN 200,000,000 traded under the code PLRHNHP00409
  - HPE8, in amount of EUR 20,000,000, traded under the code PLRHNHP00417
  - HPE9, in amount of EUR 50,000,000, traded under the code PLRHNHP00425
  - HPA24, in amount of PLN 200,000,000 traded under the code PLRHNHP00433
  - HPE10, in amount of EUR 20,000,000, traded under the code PLRHNHP00441
  - HPA25, in amount of PLN 250,000,000 traded under the code PLRHNHP00458
  - HPE11, in amount of EUR 11,000,000, traded under the code PLRHNHP00466
  - HPE12, in amount of EUR 50,000,000, traded under the code PLRHNHP00474
  - HPA26, in amount of EUR 500,000,000, traded under the code PLRHNHP00482
- public sector covered bonds
  - PUA5, in amount of PLN 100,000,000, traded under the code PLRHNHP00201
  - PUA6, in amount of PLN 100,000,000, traded under the code PLRHNHP00284

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- PUA7, in amount of PLN 150,000,000, traded under the code PLRHNHP00292

The above mentioned series of mortgage covered bonds were admitted and introduced to trading on the regulated market Catalyst.

The mortgage covered bonds series HPA8, in amount of PLN 25,000,000, traded under the code PLRHNHP00151 were redeemed by Issuer on 29th April 2013, according to the terms and conditions of the issue.

The mortgage covered bonds series HPA17, in amount of PLN 200,000,000, traded under the code PLRHNHP00250 were redeemed by Issuer on 21st October 2013, according to the terms and conditions of the issue.

The mortgage covered bonds series HPA9, in amount of PLN 25,000,000, traded under the code PLRHNHP00169 were redeemed by Issuer on 28th April 2014, according to the terms and conditions of the issue.

The mortgage covered bonds series HPA10, in amount of PLN 200,000,000, traded under the code PLRHNHP00177 were redeemed by Issuer on 28th July 2014, according to the terms and conditions of the issue.

The mortgage covered bonds series HPA12, in amount of PLN 100,000,000, traded under the code PLRHNHP00193 were redeemed by Issuer on 28th November 2014, according to the terms and conditions of the issue.

The mortgage covered bonds series HPA14, in amount of PLN 100,000,000, traded under the code PLRHNHP00227 were redeemed by Issuer on 15th May 2015, according to the terms and conditions of the issue.

The mortgage covered bonds series HPA16, in amount of PLN 100,000,000, traded under the code PLRHNHP00243 were redeemed by Issuer on 7th July 2015, according to the terms and conditions of the issue.

The mortgage covered bonds series PUA6, in amount of PLN 100,000,000, traded under the code PLRHNHP00284 were redeemed by Issuer on 28th July 2015, according to the terms and conditions of the issue.

The mortgage covered bonds series HPA11, in amount of PLN 100,000,000, traded under the code PLRHNHP00185 were redeemed by Issuer on 28th September 2015, according to the terms and conditions of the issue.

8.3 Names and addresses of entities under a binding obligation to act as intermediaries in secondary market trading and ensuring liquidity by quoting buy and sell offers, as well as key terms and conditions of their obligation

The Issuer has not entered into any agreement with intermediaries in secondary market trading, ensuring liquidity by quoting buy and sell offers.

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#### **REPRESENTATION BY THE TRUSTEE**

In performance of the provisions of Art. 7.2 in conjunction with Art. 6.9 of the Act on Covered Bonds and Mortgage Banks of August 29th 1997 (Dz. U. of 2003, No. 99, item 919, as amended), I Piotr Czyżewski, as the Trustee of mBank Hipoteczny S.A., represent that the issue of Series HPA27 mortgage covered bonds which this Supplement concerns is secured by the Issuer in accordance with the said Act. The Issuer has made appropriate entries in the collateral register for mortgage covered bonds. I also represent that the issue of Series HPA27 mortgage covered bonds does not exceed the limits specified in Art. 18 of the said Act as at 30 October 2015.

Warsaw, 2 November 2015

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Piotr Czyżewski