

**Resolution No. 26/IV/2007
of the Supervisory Board
of Narodowy Fundusz Inwestycyjny
Empik Media & Fashion Spółka Akcyjna
dated 20 December 2007
on the adoption of the Share-Based Incentive Scheme Regulations**

On the basis of Resolution No. 16 of the General Shareholders Meeting of Narodowy Fundusz Inwestycyjny Empik Media & Fashion Spółka Akcyjna ("**Company**") dated 13 July 2007 on the adoption of the share-based incentive scheme in the Company and its assumptions, subsequently changed by Resolution No. 1 of the Extraordinary Shareholders Meeting of the Company dated 26 October 2007, it is agreed as follows:

With regard to the adoption by the General Shareholders Meeting of the assumptions for the share-based incentive scheme for selected members of management of the Company (with the exception of Mr Maciej Dyjas and Mr Jacek Bagiński) and management board members and senior managers of its subsidiaries ("**EMF Group**") and other persons key to the implementation of the EMF Group strategy who are employed or engaged based on a job order agreement or on the basis of an agreement of a similar kind entered into with a company of the EMF Group, the following Share-Based Incentive Scheme Regulations are adopted:

**NFI EMPIK MEDIA & FASHION S.A.
SHARE-BASED INCENTIVE SCHEME REGULATIONS**

The Share-Based Incentive Scheme Regulations specify detailed rules of functioning for the Share-Based Incentive Scheme, in particular the terms and conditions for acquisition, execution and loss of the right to take up registered subscription warrants and the terms and conditions for acquisition, execution and loss of the right to take up the Company's Series E Shares.

§ 1

Objectives of the Share-Based Incentive Scheme

1. The objective of the Share-Based Incentive Scheme is to allow highly qualified persons, who are key to implementation of the EMF Group strategy, in the course of the Share-Based Incentive Scheme, to participate in the profits resulting from the increase in the share price in relation to the current market price, in order to ensure the optimal conditions for the growth of financial results of the Company and long-term growth of Company value. This, in consequence, will permanently bind the persons under the Share-Based Incentive Scheme with the Company.
2. The aim of the Share-Based Incentive Scheme is to create incentives that will encourage, retain and motivate qualified individuals, who are key to implementation of the EMF Group strategy, to act in the best interests of the Company and its shareholders, by allowing these persons to acquire the Company's shares. The implementation of the Share-Based Incentive Scheme will also bind the persons under the Share-Based Incentive Scheme with the Company.

§ 2

Definitions

The terms used in the Share-Based Incentive Scheme Regulations have the following meaning:

Series E Shares	not more than 500,000 (five hundred thousand) ordinary bearer Series E shares of the Company with a nominal value of 0.10 (ten groszy) each, issued on the basis of a Resolution;
Shares Take-Up Document	a statement on the execution of the right to take up Series E Shares resulting from a Subscription Warrant and on the take up of Series E Shares, made on a form prepared by the Company enclosed as <u>Appendix No. 4</u> to the Share-Based Incentive Scheme Regulations;
WSE	Warsaw Stock Exchange (<i>Giełda Papierów Wartościowych w Warszawie S.A.</i>);
EMF Group	The Company and its subsidiaries;
Confidential Information	Confidential information within the meaning of Art 154 of the Trading in Financial Instruments Act;
NDS	National Deposit for Securities (<i>Krajowy Depozyt Papierów Wartościowych S.A.</i>) with its seat in Warsaw;
FSA	Financial Supervision Authority (<i>Komisja Nadzoru Finansowego</i>) within the meaning of the provisions of the Act on Capital Market Supervision dated 21 July 2006 (Journal of Laws of 2006, No. 157, item 1119, as amended);
Civil Code	Polish Civil Code dated 23 April 1964 (Journal of Laws of 1964 No. 16, item 93 as amended);
Offer	an offer to take up Subscription Warrants in the number specified in the Offer Resolution, addressed to an Entitled Person; specimen of the offer is enclosed as <u>Appendix No. 3</u> to the Share-Based Incentive Scheme Regulations;
Entitled Person	a person under a Business Relation and listed in <u>Appendix No. 1</u> to the Regulations or in a separate Resolution of the Supervisory Board and entitled to take up Subscription Warrants (with the exception of Mr Maciej Dyjas and Mr Jacek Bagiński);
Warrant Holder	a person entitled under a Subscription Warrant;

The Right to Take Up Shares	an entitlement to take up Series E Shares of the Company resulting from a Subscription Warrant of a particular Series;
Share-Based Incentive Scheme	a share-based incentive scheme for Entitled Persons listed in <u>Appendix No. 1</u> to the Share-Based Incentive Scheme Regulations or indicated in separate resolutions of the Supervisory Board;
Supervisory Board	supervisory board of the Company;
Share-Based Incentive Scheme Regulations	these regulations;
The Company, NFI Empik Media & Fashion	Narodowy Fundusz Inwestycyjny Empik Media & Fashion Spółka Akcyjna with its seat in Warsaw;
Business Relation	work or professional services provided for the Company or for a company within the EMF Group that is of key importance to the implementation of the EMF Group's strategy, on the basis of an employment contract, job order or other legal relation of a similar kind with the Company or a company within the EMF Group;
Offer Resolution	Resolution of the Management Board, or in the case of Entitled Persons who are Management Board members, resolution of the Supervisory Board, undertaken in 2007-2010, comprising: (i) indication of an Entitled Person; and (ii) the number of Subscription Warrants that will be offered to be taken up by an Entitled Person in a particular year;
Resolution	Resolution No. 16/2007 of the General Shareholders Meeting of the Company dated 13 July 2007 on the adoption of the share-based incentive scheme in the Company and its assumptions, on the issue of Series L, Series M and Series N subscription warrants with the exclusion of pre-emptive right of existing shareholders having the pre-emptive right to Series E shares and concerning the conditional increase of the share capital of the Company with the exclusion of pre-emptive right of existing shareholders, subsequently amended by resolution no. 1 of the General Shareholders Meeting of the Company dated 26 October 2007 amending the Resolution;
The Act	Act on Trading in Financial Instruments dated 29 July 2005 (Journal of Laws of 2005, No. 183, item 1538, as amended);
General Shareholders Meeting	general shareholders meeting of the Company;
Subscription Warrants	not more than 500,000 of subscription warrants issued by the Company in series, on the basis of a Resolution and pursuant to the provisions of the Share-Based Incentive Scheme Regulations, in

2007-2010, in conformity with the subscription warrant document enclosed as Appendix No. 5 to the Regulations;

Management Board

management board of the Company.

§ 3

General terms and conditions of the Share-Based Incentive Scheme

1. The Share-Based Incentive Scheme will be implemented as of the day the Share-Based Incentive Scheme Regulations come into force.
2. The Share-Based Incentive Scheme will be implemented by way of issuing Subscription Warrants to Entitled Persons upon the fulfilment of conditions specified in these Share-Based Incentive Scheme Regulations.
3. The Share-Based Incentive Scheme comprises the programme dedicated to the Entitled Persons of the EMF Group as listed in Appendix No. 1 or in separate resolutions of the Supervisory Board.
4. Entitled Persons will be allowed to take up Subscription Warrants to which they are entitled pursuant to the terms and conditions of the Share-Based Incentive Scheme Regulations.

§ 4

Entitled Person. The awarding of Subscription Warrants

1. Entitled Persons acquire the right to take up Subscription Warrants provided that they remain under the Business Relation as at the day of the adoption of the Offer Resolution by the Management Board or, in the case of Entitled Persons who are Management Board members, by the Supervisory Board.
2. The right to take up Subscription Warrants cannot be acquired if a particular Entitled Person is, as at the day of adoption of the Offer Resolution, in the termination period of his/her Business Relation, except for situations when a person after the termination period will remain in a Business Relation with a company of the EMF Group (including the Company) or the termination was effected by the Company for no material reason.
3. The issue price of Series E Shares for Subscription Warrants of a particular series issued for a particular Entitled Person will be determined each time by the Supervisory Board by way of resolution.
4. The number of Subscription Warrants that are to be issued for the benefit of Entitled Persons was presented in Appendix No. 1 or, in the case of the remaining Entitled Persons, will be determined by way of a separate resolution of the Supervisory Board.
5. Subject to § 5.7 the Supervisory Board may offer, by way of an Offer Resolution, Management Board members who are Entitled Persons to take up Subscription Warrants and the Management Board may offer, by way of an Offer Resolution, other Entitled Persons to take up the Subscription Warrants.

6. The Supervisory Board may condition the acceptance of the Offer by an Entitled Person who is a member of the Management Board, whereas the Management Board may condition the acceptance of the Offer by other Entitled Persons. The condition will be to refrain from any disposal of Series E Shares taken up as a result of exercising the rights under the Subscription Warrants during the period specified in the Offer Resolution. In the above described case, the Entitled Person will be obliged to submit to the Company a statement in the wording generally in line with Appendix No. 6. The statement referred to in § 4.6 may stipulate additional undertakings of the Entitled Person with regard to the Series E Shares taken up by the person.
7. If in any particular year the number of issued Subscription Warrants will be lower than 500,000 (five hundred thousand), the Subscription Warrants in the number that was not issued in that particular year may be offered to Entitled Persons and issued in subsequent years (not later however than in 2010).

§ 5

The taking up of Subscription Warrants

1. The Supervisory Board will submit an Offer to the Entitled Persons who are Management Board members, and the Management Board will submit an Offer to other Entitled Persons, within four weeks upon the adoption of the Offer Resolution, in two copies, the specimen of which is enclosed as Appendix No. 2. Each Entitled Person shall receive a copy of these Share-Based Incentive Scheme Regulations.
2. Entitled Persons exercise their rights to take up Subscription Warrants by making a respective statement on the Offer and submitting one copy of the Offer at the Company offices.
3. Taking up a smaller number of Subscription Warrants than the number offered on the basis of the Offer shall be understood as the waiver by the Entitled Person of the right to take up the remaining Subscription Warrants that are offered.
4. The right to take up Subscription Warrants expires upon its execution. Furthermore, the right to take up a Subscription Warrant also expires if upon the submission of the Offer and before its acceptance it was determined that the Entitled Person was engaged in any activities against the Company or a company within the EMF Group or the EMF Group.
5. The Supervisory Board will issue and allocate Subscription Warrants taken up by Entitled Persons who are Management Board members, and the Management Board will issue and allocate Subscription Warrants to other Entitled Persons.
6. The execution of the right to take up Subscription Warrant by an Entitled Person is forbidden if this particular Entitled Person is in the so-called closed period as specified in Art 156.1.1.a of the Act.

§ 6

Subscription Warrants

1. Subscription Warrants are issued in the form of a document and will be given to Entitled Persons. The specimen of a Subscription Warrant is enclosed as Appendix No. 5 to the Share-Based Incentive Scheme Regulations.
2. Subscription Warrants are issued free of charge.
3. Subscription Warrants may be issued as a global share note.
4. Each Subscription Warrant entitles the holder to take up one Series E Share.
5. Subscription Warrants are not resalable, except for their transfer to an heir of the Warrant Holder. The heirs of the Warrant Holder shall indicate to the Company one person who will be in charge of execution of the Right to Take Up Shares.

§ 7

The taking up of Series E Shares

1. The Warrant Holder exercises the Right to Take Up Shares allocated per Subscription Warrant by submitting to the Company a Shares Take-up Document within the time frame specified for each Entitled Person in a respective Offer Resolution, but not later than on the date specified in item 3 of this § 7.
2. The submission of the Shares Take-Up Document at the Company must be accompanied by the submission of the global share note for the Subscription Warrants of a particular series and the confirmation of full payment for the Series E Shares to be taken up. The submission of the Shares Take-Up Document is void unless it is accompanied by the confirmation of the full payment for the Series E Shares to be taken up.
3. The rights to Take Up Series E Shares resulting from Subscription Warrants may be executed by 31 December 2011 or by other earlier date specified in an Offer Resolution. The Offer Resolutions may indicate specific dates as of which the right to take up Series E Shares resulting from Subscription Warrants of a particular series may be executed.
4. Should the Right to Take Up Shares be not executed within the deadline specified in item 3, the Right to Take Up Shares will expire.
5. The Right to Take Up Shares expires if an Entitled Person ceases to be in a Business Relation or should the Entitled Person be in the termination period, except for situations when a person after the termination period will remain in a Business Relation with other company of the EMF Group (including the Company).
6. The execution of the Rights to Take Up Shares by a Warrant Holder is forbidden if this particular Entitled Person is in the so-called closed period as specified in Art 156.1.1.a of the Act.
7. An Entitled Person who took up Series E Shares, and is a person referred to in Art 160 of the Trading in Financial Instruments Act, is obliged to inform the Company and FSA of the taking up of Series E Shares, within 5 working days from the day of execution of the Right to Take Up Shares, in cases specified in Art 160 of the Trading in Financial Instruments Act.

§ 8

Series E Shares. Listing on the stock exchange

1. Subject to the provisions of § 9.5, the Series E Shares will be issued in a dematerialised form.
2. The company will submit an application for the introduction to and listing on the WSE of the taken up Series E Shares at least twice in each calendar year, provided that the Company will not submit an application in case there are no Series E Shares that are the subject of such application. The application regarding the introduction of taken up Series E Shares shall include all Series E Shares that have not been included in the previous application and which were taken up by the Warrant Holders, at the latest, on the day preceding the submission of the application. The Supervisory Board at its own discretion or based on the motion of the Management Board will undertake a resolution on the need to submit an additional application on the introduction of Series E Shares to trading. The Resolution is executed by the Management Board.
3. Series E Shares shall participate in the dividend in the following manner:
 - 1) Series E Shares issued, at the latest, on the day of dividend determined in a resolution of the General Shareholders Meeting on the allocation of profit, will participate in the profit, starting from the profit for the previous business year, i.e. 1 January of the business year directly preceding the year in which the shares were issued,
 - 2) Series E Shares issued on the day following the day of dividend determined in a resolution of the General Shareholders Meeting on the allocation of profit, will participate in the profit, starting from the profit for the business year in which the shares were issued, i.e. as of 1 January of this business year.
4. As of the month in which the first Series E Share is registered on the securities account or the month in which the first Series E Share is issued, the Management Board, within a week from the end of each succeeding month, will submit to the register court the list of Series E Shares taken up in a particular month in order to update the share capital entry. The Management Board encloses to the above application a list of persons who exercised The Right to Take Up Shares. The list mentioned in the preceding sentence includes names and surnames of shareholders, the number of shares taken up by each shareholder and the value of the contributions made by each shareholder. If in a particular month no Series E Share was registered on the security account nor was a Series E Share issued, the Management Board shall notify the register court of the fact.

§ 9

General provisions

1. The Supervisory Board informs an Entitled Person of his/her entitlement to participate in the Share-Based Incentive Scheme and of the number of Subscription Warrants allocated to that person.
2. The Supervisory Board informs the Entitled Person and Warrant Holder about changes of provisions of the Share-Based Incentive Scheme Regulations. Information on the changes of provisions of the Share-Based Incentive Scheme Regulations may be delivered in an electronic form.

3. Upon the motion of the Warrant Holder, the Company issues a Share Take-Up Document form. The motion may be submitted electronically. In the case the motion is submitted electronically the Share Take-Up Document form is also issued in an electronic form.
4. In the case of a liquidation of the Company, any rights to take up Subscription Warrants or Rights to Take Up Shares expire with no right to any damages.
5. Should the registration of the Series E Shares be rejected in the depository of securities run by the NDS, Series E Shares will be issued in a material form. Series E Shares in a material form will be given to persons who took them up within a month from the day of rejection of the registration of Series E Shares by NDS.
6. Subject to other provisions of the Share-Based Incentive Scheme Regulations, any and all notifications or any other correspondence with regard to the Share-Based Incentive Scheme may be delivered in person or sent by mail; in the case of the Company to its registered address and in the case of Entitled Persons, Warrant Holders and persons who took up Series E Shares, to the last residence address known to the Company or to the address at which the person executes all or part of their professional duties related to the position they hold or work they provide.
7. The Share-Based Incentive Scheme Regulations do not constitute an offer within the meaning of Art 66 of the Civil Code.
8. The Share-Based Incentive Scheme enters into force on the day of the adoption of the Share-Based Incentive Scheme Regulations. The Share-Based Incentive Scheme shall cease to be in force on the day in which the last Series E Share, based on the Resolution on the conditional share capital increase with regard to the execution of the Share-Based Incentive Scheme, was issued.
9. This resolution comes into force on the day of its adoption.