Appendix to Ordinance no. 4 of the Rector of the Cracow University of Technology from 19 January 2022

**Bylaws of managing the company social benefits fund at the Cracow University of Technology**

**Chapter I. General Provisions**

§ 1

1. Bylaws of Managing the Company Social Benefits Fund at the Cracow University of Technology

1) Act of 4 March 1994 on company social benefits fund (Journal of Laws from 2021 item 746);

2) Act of 20 July 2018 on Higher Education and Science Law (Journal of Laws from 2021, item 478; as amended),

3) Act of 23 May 1991 on Trade Unions (Journal of Laws from 2019 item 263 as amended);

4) Act of 27 August 2009 on public finance (Journal of Laws from 2021 item 305 as amended);

5) Act of 10 May 2018 on personal data protection (Journal of Laws from 2019, item 1781);

6) Act of 17 December 1998 on retirement and pension benefits under the Social Insurance Fund (Journal of Laws from 2021, item 291, 353, as amended).

2. The Bylaws specify the principles of allocation of means under the fund to individual goals and types of social activity as well as the principles and conditions of using financial provisions under this fund.

3. Whenever the Bylaws refer to:

1) Fund — it shall be understood as the Company Social Provisions Fund at the Cracow University of Technology

2) Employer — it shall be understood as the Cracow University of Technology represented by the Rector or by the person he authorizes, hereinafter referred to as PK;

3) PK employee — shall be understood as a person remaining in the labour relationship at the Cracow University of Technology;

4) Retired employee or pensioner at PK — shall be understood as a person who was employed at the Cracow University of Technology directly prior to ceasing of the labour relationship due to transition to retirement or pension;

5) Committee — shall be understood as the Company Commission of Social Benefits;

6) Refund — shall be understood as total or partial reimbursement of costs incurred by the person entitled to the use of the fund;

7) Co-financing — shall be understood as granting an authorized person a specific amount from the fund designated to cover the expenditure for a given goal;

8) Household — shall be understood as a team of persons related to one another or unrelated to one another, residing together and jointly sustaining themselves. The following are some characteristic features for maintaining a joint household: participation and mutual close cooperation in handling everyday matters related to maintaining a house. Regime of separate property of spouses does not determine non-remaining in a joint household;

9) Average, monthly income falling per a single person in a household — this ought to be understood as a joint annual income (for the year preceding the year in which a declaration is made), each person conducting a joint household with the applicant, divided by 12 and the number of persons in a household. All obtained revenue is calculated into the income (taxable and exempt from personal income tax):

a) remuneration obtained as part of the labour relationship, appointing, selecting, nominating and cooperative employment contract on account contract of mandate, specific work contract or agency contract,

b) revenues on account of:

- membership in a cooperative,

- conduct of a liberal profession,

- creative or artistic activity,

- economic activity or cooperation in the course of conduct of such an activity,

c) cash benefits from social insurance in case of disease or maternity,

d) retirement benefits, pension benefits, family benefits, social benefits

e) parental allowances, permanent allowances, permanent compensatory benefits, guaranteed temporary benefits and benefits under the Labour Fund,

f) provisions under Family 500+ programme

g) alimony and provisions granted from the alimony fund (whereas factually paid alimony are deducted from the income/ factually obtained alimony are included in the income),

h) income from work in individual agricultural farms covering also payments from Agriculture Restructuring and Modernization Agency,

i) income obtained outside of the Polish borders

j) income from rental and lease,

k) other income such as tax exemption

In case of lack of income in the year preceding the submission of application one must indicate an average, monthly income from the last three months and should there be no such income – from the last month in case of newly-employed employees at the Cracow University of Technology an average monthly income from the last three months is assumed and in case of lack of such income – from the last month at PK on the basis of a statement from the Payroll Department. If a person submitting the information fails to indicate the income of their closest family members, he or she will avail of the minimum aid as average income of the family will be assumed from the highest income group envisaged for a given provision;

10) loan takers – it must be understood as an employee, retired person or pensioner who was granted a loan for residential purposes;

11) joint and several liability – which is regulated by Art. 366 of the Civil Code stating that several debtors may be liable in the manner where the creditor may demand entirety or part of the benefit from all debtors jointly, from several of them or from each of them separately and fulfilment of debts by any of the debtors releases the remaining ones (solidarity of debtors). Debtors remain several until complete fulfilment of liabilities towards the creditor;

12) company trade union organization – it ought to be understood as NSZZ „Solidarność" KZ PK and RU ZNP at PK or other representative company trade union organizations operating at the Cracow University of Technology;

13) Personal and Social Affairs Department (DSOiS) - it ought to be understood as employees involved in servicing the fund as part of the hereby Bylaws;

14) PK Employee Information Service (SIP PK) – service placed on the website of the Cracow University of Technology in which information addressed mainly to PK employees are published.

**Chapter II Company Social Benefit Committee**

§2

1. Company Social Benefit Committee (hereinafter referred to as Committee) shall be appointed by the PK Rector in the following composition: 5 persons indicated by the PK Rector, 5 persons indicated by NSZZ “Solidarność” KZ PK, 5 persons indicated by RU, ZNP at PK and between 1 and 5 persons indicated by each other company trade union organization operating at PK.

2. The chairman of the Committee is selected from amongst its members by the PK Rector after agreeing it with the company trade union organizations functioning in PK.

3. Changes in the composition of the Committee are conducted by the PK Rector at his own initiative — with respect to persons indicated by themselves or at the request of trade union organizations operating in PK — towards persons indicated by these organizations.

4. The term of office of the Committee lasts 4 years.

§ 3

1. The Committee carries out arrangements and undertakes a decision.

2. Decisions of the Committee are passed on to the information of the PK Rector and the company trade union organizations operating at PK in the form of a protocol approved by the chairman of the Committee with the exception of decisions regarding individual remuneration:

1) co-financing of fees incurred in relation to participation of children in nurseries, children clubs and preschools,

2) co-financing of various forms of leisure, including among others holidays, summer camps, holiday camps, green schools and other forms organized for children.

3. PK Rector and the university trade unions in place in PK may question a decision of the Committee within 7 days from the date of its obtaining. In such a case, the final decision is agreed by the PK Rector and the trade unions.

4. Decisions of the Committee are undertaken with the majority of votes in presence of more than 50% of the Committee composition.

§ 4

1. One may appeal against all decisions of the Committee within the term of 14 days from the date of its announcement.

2. An appeal is considered by the Committee of Appeals, appointed on an ad hoc basis, comprising:

1) representative of the PK Rector,

2) representative of NSZZ „Solidarność” KZ PK,

3) representative of RU ZNP in PK,

4) one representative from every other company trade union organization operating at PK.

3. Decisions of the Committee of Appeals are final.

§5

1. The committee gathers at least once every two months subject to the initial session

approving the financial plan for a given calendar year which occurs until end of quarter I.

2. The right to appoint sessions of the Committee, outside of the agreed schedule of meetings, shall be granted to each of the agreeing parties.

3. Sessions of the Committee are minuted and the protocols are stored by the Department of Personnel and Social Affairs which conducts administrative service for the Committee.

**Chapter III Forming the fund**

§6.

1. Company Social Benefits Fund, hereinafter referred to as the fund, is formed form an annual basic deduction from pay calculated in accordance with the Act on Higher Education and Science, provisions introducing the act and provisions targeted at realizing the budgetary act for a given year at the level of:

1) 6.5% of annual personnel remunerations for university employees planned by PK in the preceding year (deduction from pay), the level of the deduction may be decreased after consultation with the company trade union organizations subject to sec. 2,

2) 10% of the annual sum of the lowest retirement or pension sum from the previous year, agreed in accordance with Art. 94 sec. 2 point 1 letter a of the Act on Retirement and Pension benefits from the Social Insurance Fund per single retired person or pensioner of PK.

Deductions from pay specified in points 1 and 2 constitute a single fund.

2. In the years 2022-2026 the basic deduction from pay is carried out at the level of the amount of deduction performed in 2018. Its level may be increased after agreeing this with trade unions, however, it cannot be higher than 6.5% of the level planned by PK in the year preceding annual personnel remuneration for employees.

3. Resources from the fund are increased by the amounts specified in Art. 7 sec. 1 of the Act of 4 March 1994 on company social benefits fund.

4. Means from the fund are gathered on a separate bank account.

5. The equivalent of conducted deductions from pay is transferred to the fund account until 30 September of each year, whereas 30% of the deduction conducted in the preceding year as an advance payment for the current year — by the end of February, 75% of the deduction falling for the current year decreased by advance payment — until 31 May.

6. Resources from the fund which have not been used in a given calendar year are moved to the subsequent year.

7. In PK, the PK Rector administers the resources from the Company Social Benefits Fund (ZFŚS).

8. The basis for managing the ZFŚS funds is the financial plan established each year by the Company Committee for Social Benefits post agreeing it with the PK Rector and the company trade unions operating in PK no later than until the end of March of a given year. The plan specifies the division of means from the fund for social and residential purposes.

9. Payments of benefits from ZFŚS in a given calendar year are conducted after establishing the financial plan specified in sec. 7 no sooner than from 1 March.

10. All substantive decisions concerning the expenditures from ZFŚS at PK are undertaken by the Company Social Benefits Committee.

**Chapter IV Persons authorized to use ZFŚS**

§7

1. The following persons are authorized to use the resources from ZFŚS:

1) Employees of PK with the exception of employees who are on an unpaid leave, in accordance with the provisions of § 8,

2) retired persons and pensioners of PK,

3) persons collecting family pension benefits after a deceased employee, retired person or pensioner at PK should these persons have been maintained solely by the deceased PK employee or should they be his/her heirs — members of the closest family (husband, wife, children, parents),

4) persons collecting pre-retirement provisions for whom PK was the last employer,

5) persons who are maintained and raised solely by persons specified in points 1-4:

a) children up to the age of 18: own children, children of the spouse (remaining in a joint household), adopted, accepted for upbringing as part of a foster family,

b) children between 18 and 25 years of age after presenting a document (school ID card or student ID card or school certificate), confirming continuation of education until the end of the calendar year in which they complete the age of 25 and a certificate of non-obtaining by the child of income in the year preceding the benefit payment,

c) children with disability, regardless of their age, after submission of a statement on non-obtaining by the child of income in the year preceding the benefit payment,

6) spouse of an employee, retired person or pensioner of PK who is maintained by them, after proving lack of income for the year preceding the payment of benefit, on the basis of the presented for review of an annual PIT tax settlement in accordance with the provisions of § 8 after qualifying for I or II income group.

2. Entitlements to use the fund are withdrawn in case of persons specified in sec. 1 point 5 pursuant to their entry into a marriage or taking up employment.

**Chapter V. Mode and principles of granting benefits under ZFŚS**

§8

1. Granting of provisions and their level are of discretionary nature and are determined by the living and material situation of the person authorized to receive them.

2. Each year the Committee establishes the ranges of income per person in a household which allow to qualify individual persons within one of three “income groups”.

3. Granting and the level of provisions depends on presenting information regarding living and material situation in line with the statement submitted in Appendix no. 1 to the hereby Bylaws.

4. Information regarding living and material situation is passed on along with the initial application submitted at the Department of Personnel and Social Affairs in a given calendar year. Information specified above should also be submitted by persons authorized who intend to use subsidized benefits in a given year which are financed from the fund resources (i.e. entry tickets to the cinema, theatre etc.).

5. Refusal to indicate the living and material situation or lack of submission of such information within the deadline in cases specified in sec. 4 shall result of granting the benefit under the fund in the minimum amount as average family income is adopted from the highest income group assigned to a given type of benefit.

6. In case of doubts as to the content of the statement constituting Appendix no. 1 to the hereby Bylaws, submitted by the person authorized in the scope of the obtained income in the household per person as well as to the circumstances related to the living and material situation, the person applying for the benefit under ZFŚS should prove, within 30 days from the date of obtaining information in this regard, the validity of submitted statement through presenting before the Committee documents which confirm the circumstances and facts indicated in the statement — revenue certificate, Borough Office certificate, social service certificate, certificate from family assistance centre regarding obtaining income by person co-habiting with the authorized person. In justified cases, at the request of the applicant, the Committee may extend the term for submission of the above-stated documents.

7. Failure to present documents confirming validity of the submitted statement within the deadline specified by the Committee constitutes the basis for rejection of granting the benefit under ZFŚS until provisions of such documents.

8. Person obtaining the ZFŚS benefit who submitted the statement with false data, submitted a false document or in other manner consciously and purposefully misled the Committee shall lose the right to avail of the funds for the period of two subsequent years. Furthermore, such person is obliged to immediately return the obtained amount along with statutory interest.

9. Applications concerning designation of social benefits (with the exception of those specified in Chapter X), provided for in the Bylaws, should be submitted in the Department of Personnel and Social Affairs on printouts constituting respective appendices to the hereby Bylaws, available in the Information Service for PK Employees on or before 5 December of a given calendar year. Applications submitted after this deadline shall not be considered.

**Chapter VI. Designation of funds under ZFŚS for social purposes**

§9

1. ZFŚS, in the part designated for social purposes, may be divided into:

1) 88% - surcharges for leisure (self-organized countryside holidays or interchangeably: camps, youth camps, green schools),

2) 5% - special assistance grants,

3) 2% - co-financing of fees incurred in relation to participation of children in nurseries, children clubs and preschools,

4) 5% - other activity (sport, recreation, leisure, cultural goals and financing the costs of activity of spa treatment rooms).

2. Upon justified motion submitted by the Committee, the decision concerning shifting the resources designated for items specified in sec. 1 in a given calendar year may be undertaken by the Committee of Appeals, as specified in §4.

§10

1. Various forms of social activity, as specified in § 9 sec. 1 point 4, organized by the Department of Personnel and Social Affairs, available for authorised persons to be used under ZFŚS, as specified in § 7, may be partly financed as part of the planned and approved by the Committees financial resources.

2. Persons authorized who avail of social activity specified in § 9 sec. 1 point 4 are obliged to submit a statement in a given calendar year at the Department of Personnel and Social Affairs which constitutes Appendix no. 2 to the hereby Bylaws.

**Chapter VII. Principles of leisure co-financing**

§11

1. Co-financing of various forms of leisure may be granted solely once a year.

2. The level of financing depends on the average monthly income falling per one person in a household for the period of a calendar year falling on the year of financing granting.

3. In cases when both parents are employees, retired employees of pensioners of PK, financing of leisure for a child in a given calendar year may be obtained solely by one of the parents.

4. Co-financing of children born within a given calendar year shall be paid the soonest along with co-financing for a given parent (PK employee, retired employee or pensioner of PK) after using up the annual leave in the required dimension or in the course of a parental leave, maternal leave or child care leave.

5. Financing for employees is paid in two instalments: First instalment — after using up the leave, the second one — at the end of a given calendar year, in case of obtaining an additional balance under ZFŚS. The second instalment shall be granted solely to employees employed according to the state as per 15 November of a given calendar year.

6. Co-financing for retired employees and pensioners of PK is made in two instalments: their first instalment after submission of the application in accordance with the principles in place in the hereby Bylaws at the end of a given month, the second one at the end of a given calendar year, in case of obtaining an additional balance under ZFŚS.

§12

Each year the Committee establishes the amounts of co-financing leisure for persons specified in § 7 sec. 1 points 1-6, allocated depending on the qualification of the person authorized in a given income group.

§13

1. The condition for obtaining co-financing is the submission in the Department of Personnel and Social Affairs of an application constituting Appendix no. 3 to the hereby Bylaws, in case of:

1) employee of PK:

a) having used up annual leave in the dimension of at least 10 subsequent working days, in case of employees employed on a full-time basis or having used up annual leave in the dimension proportional to the working time basis (working time basis x 10) — in case of employees employed on a part-time basis,

b) having used up or in the course of parental leave, maternity leave, childcare leave, health leave or scientific leave — concerning employees who in a given calendar year cannot use annual leave due to remaining on one of the above-specified leaves;

2) retired persons or pensioners of PK.

2. In case of submitting a document (receipt or invoice) that confirms participation in an organized leisure by children up to the age of 18, income tax cannot be calculated on the refunded amount (not above the receipt amount and the amount of co-financing stemming from a given income group).

3. In case of PK employees, payment of co-financing is made solely with the upcoming remuneration, subject to provisions of § 6 sec. 9 of the hereby Bylaws.

**Chapter VIII. Principles of allocating special assistance grants**

§14

1. Special assistance grants under ZFŚS are obtained on account of:

1) Difficult living situation of persons, as specified in § 7 of the hereby Bylaws,

2) Death of employee, retired employee or pensioner of PK and of members of their closest family (husband, wife, children, parents).

2. A difficult situation is understood as:

1) long-term or severe disease, that is, all types of diseases requiring long-term treatment, including chronic diseases, uncurable diseases, inherent diseases and disabilities,

2) stay in a hospital due to long-term or severe disease or accident,

3) justified and documented paid medical benefits, including surgical procedures and incurred treatment costs (including, among others, medications, medical measures, rehabilitation),

4) Other individually documented random events, i.e. theft, flooding, fire, caused by external causes.

3. The application for obtaining special assistance grant ought to be justified and documented so that, in line with due diligence principles, it was possible to assess the living, family and material situation of the applicant. In particular, the application ought to contain:

1) valid documents confirming the occurrence of events (cases, situations) specified in sec. 2, issued by relevant bodies or institutions in original, to be reviewed by members of the Committee,

2) original versions of invoices or receipts confirming factually incurred costs, for revision by members of the Committee,

3) declaration concerning total income for the previous year, obtained by persons authorized to receive social benefits and persons remaining in a joint household, subject to provisions specified in § 7 sec. 2,

4) copy of a death certificate in the case specified in sec. 1 point 2.

4. each application for special assistance grant is considered prior to its allocation by the Committee.

5. The level of the grant, as specified in sec. 1 point 1, is defined by the Committee as part of the possibilities financed by ZFŚS.

6. Special assistance grants specified in sec. 1 point 2 are designated in amounts established by the Committee for a given calendar year.

7. Maximum level of the grant in a given year cannot exceed half of the average remuneration at PK in the year preceding the year of granting the grant and is established by the Committee.

8. In justified cases related to the situation of the applicant, the Committee may undertake a decision on granting a higher grant than one stemming from the provision in §14 sec. 7, however, it cannot exceed 60% of the average remuneration at PK in the year preceding the year of grant allocation.

9. The application for granting special assistance grant is submitted at latest 6 months from the occurring random event that justifies obtaining the grant.

10. The application for special assistance grant constituting Appendix no. 4 to the hereby Bylaws must be submitted in the Department of Personnel and Social Affairs on or before 15 November of a given calendar year. Applications submitted after this deadline shall not be considered.

**Chapter IX. Principles of granting co-financing of fees incurred in relation to participation of children in nurseries, children clubs or preschools.**

§15

1. Co-financing under ZFŚS is granted towards fees which are incurred by persons specified in § 7 of the hereby Bylaws pursuant to attendance by children in nurseries, children clubs and preschools. Co-financing is granted upon the application submitted by an authorized person and its level depends on the average monthly income falling per one person in a household for a period of calendar year preceding the year of allocation of the co-financing and the documented level of the monthly fee for the stay of the child in an institution specified in the preceding sentence (proof of payment containing child's data that enable his or her identification and the month in which the fee was made for review). While submitting the initial application for co-financing one must submit a copy of agreement or certificate concerning the child’s admission to the facility.

2. Co-financing is paid on a quarterly basis in each calendar year after presenting incurred factual costs, whilst the application for funding for quarter IV must be submitted on or before 5 December of a given calendar year.

3. Each year the Committee establishes the amounts of co-financing allocated depending on the qualification of the person authorized in a given income group.

4. A condition to obtain co-financing is the submission of an application for co-financing concerning a given year towards fees incurred in relation to attendance by children in nurseries, children clubs or preschools, constituting Appendix no. 5 to the hereby Bylaws. The application specified above must be submitted at latest until the end of the first month of the subsequent quarter with the exclusion specified in sec. 2.

5. Applications submitted after the deadlines specified in sec. 2 and 4 shall not be considered.

**Chapter X. Principles of co-financing of other social activities**

§ 16

1. Department of Personnel and Social Affairs also runs other types of social activity, such as:

1) enabling the use of various forms of sport activity,

2) enabling the use of spa treatment room,

3) distribution of tickets to cultural events (such as theatre, philharmonic, opera, concerts, movie shows, festivals etc.),

4) organizing tourist trips, sightseeing trips - single-day and sever-day long trips), day camps for children of authorized persons specified in § 7 of the hereby Bylaws.

2. Concerning provisions specified in sec. 1 the level of financing is specified for each calendar year by the Committee as part of the grant financial possibilities.

3. The Committee establishes the framework plan of events as specified in sec. 1 point 4 on the first meeting in a given year. The above-stated plan is of an open character and is presented in the form of announcements in SIP at PK.

§ 17

Detailed organization and course of events specified in § 16 sec. 1 point 4 is each time specified in the Bylaws approved by the Committee.

**Chapter XI. Designation of funds under ZFŠS for residential purposes**

§ 18

Means under ZFŚS for residential purposes are allocated for:

1) supplementation of residential input,

2) construction of a single-family house or premises in a multi-family building,

3) adaptation of premises for residential purposes,

4) deposit and fees required upon obtaining and exchanging residential premises,

5) adjusting the premises to the needs of persons with limited physical ability,

6) purchase of housing cooperative flat or public housing flat,

7) purchase of premises or of a residential building on a free market,

8) repayment of mortgage for construction of a single-family house or purchase of apartment,

9) renovation or modernization of apartment or residential house.

§ 19

1. Assistance under ZFŚS funds for residential purposes may be granted in the form of repayable loan to PK employee after the period of 1 year of employment at PK and for retired employee and pensioner at PK after fulfilling conditions specified in the hereby Bylaws.

2. PK employee may obtain a loan solely for the period of duration of their employment contract with PK.

3. In justified cases, upon consent of the Committee, a loan may be granted for a period exceeding interim employment of a given employee subject to submitting an opinion issued by direct superior, approved by the higher-level supervisor as to the plans on continuing employment at PK. In the event when further employment is not factually executed the loan taker shall be obliged to immediately repay the remaining part of the loan entirely, including interest. In the event of lack of repayment to the bank account of ZFŚS, the loan taker shall immediately obtain a call for payment.

§20

1. Submission of an application which constitutes Appendix no. 6 to the Bylaws and in case of loans specified in § 18 points 1-8 documentation of the purpose for which the loan will be used is a condition for its obtaining.

2. In case of loans for residential purposes as specified in § 18 points 1-8 the following is required:

1) presenting such documents as: building permit, cost estimate or other documents related to single-family house construction or flat construction or adaptation of premises for residential purposes as well as disability degree certificate (for the purposes of a disabled person), cooperative resolution, housing cooperative management consent, consent of property owner, agreement with a developer, notarial deed of the purchase of a flat or house, mortgage agreement, notarial deed, current excerpt from the land and mortgage register etc.;

2) presenting a certificate, i.e. from a housing cooperative concerning the required full contribution (whilst supplementing own contribution for a cooperative ownership flat) or certificate of the previous owner concerning the level of payments for the purchased flat as part of privatisation.

3. Spouses or persons conducting joint household, should they fulfil the conditions for loan granting , as specified in § 18 points 1-8, may apply for it independently from one another for the same residential purpose (the same property) subject to they both are listed in the documentation specified in sec. 2.

4. It is possible to grant a loan for residential purposes, as specified in § 18 points 1-8 on the basis of documents specified in points 1 and 2, dated up to the maximum 2 years before the date of submission of an application.

§21

1. Maximum level of the loan for residential purposes specified in § 18 amounts to no more than fifteen average salaries at PK in the year preceding that year and it is established on an annual basis by the Commission as part of the Commission-planned and approved financial means.

2. The loan taker undertakes to submit, within 6 months from the date of obtaining of the loan of documents confirming the use of the loan for residential purposes. In case of non-submission of the documents specified above the loan shall be subject to repayment in its entirety effective immediately.

3. Maximum period of loan repayment for residential purposes as specified in § 18 point 1-8 shall amount to 5 years (60 instalments). The basic interest amounts to 3% on an annual scale. Repeated granting of the loan may occur after the period of 5 years from the date of repayment of the previous loan provided that it concerns a different property.

4. In justified cases the Commission may express consent for repeated granting of the loan for residential purposes as specified in § 18 points 1-8 prior to the expiry of 5 years from the date of repayment of the previous loan should it concern a different property.

5. In case of loans for residential purposes, as specified in § 18 point 1-8, securing the loan in the form of 2 loan-guarantors is required.

6. The maximum level of the loan for residential purposes as specified in § 18 point 9 amounts to no more than four average salaries at PK in the year preceding the given year and it is established on an annual basis by the Commission as part of the Commission-planned and approved financial means. The maximum period of loan repayment amounts to 3 years (36 instalments). Further loan may be obtained after the expiry of 6 months from the date of repayment of the previous loan. The basic interest amounts to 3% on an annual scale.

7. In justified cases the Commission may express consent for repeated granting of the loan specified in § 18 point 9n for a renovation prior to the expiry of 6 months from the repayment of the previous loan.

8. In case of loans for residential purposes, as specified in § 18 point 9, loan collateral in the form of 2 loan-guarantors is required.

9. The mode of loan repayment provided for in sec. 3 and 6 may be modified by the Commission upon justified and documented application of the loan taker, confirmed by loan guarantors (loan guarantors’ consent is required) and in particularly justified cases (such as, for instance, a difficult material situation of the loan taker, random events):

1) repayment of the loan may be suspended, however, not longer than 12 months after previous repayment of minimum 50% of the obtained loan. in exceptionally difficult circumstances of the loan taker the Committee may decide to suspend repayment of the loan regardless of the level of repayment,

2) It is possible to decrease the level of monthly instalments whilst at the same time extending the period of loan repayment, however, not longer than for 24 months in total in case of loans for residential purposes specified in § 18 points 1-8 and 12 months in case of loans for residential purposes specified in § 18 point 9. It is necessary to re-calculate the loan interest rate and elaborate an annex to the loan agreement,

3) It is possible to partially cancel the loan; post prior repayment of a minimum 50% of it. The level of cancellation may amount to 30% of obtained loan but it cannot exceed a double average remuneration at PK in the previous year.

10. In case of cancelling the loan, the subsequent loan may be granted no sooner than:

1) after 15 years from the date of cancellation in case of loans for residential purposes specified in § 18 point 1-8,

2) after 5 years from the date of cancellation in case of loans for residential purposes specified in § 18 point 9.

§ 22

1. PK employee may obtain the applied for loan in case when, after deducting the monthly loan instalment and the so-far liabilities, the amount free from deductions remains to be repaid by him as per the regulations of the Labour Code.

2. A retired employee or pensioner of PK may obtain the applied for loan in case when, after deduction of the monthly instalment of the loan, he or she is left with an amount sufficient to fulfil their daily needs, established on the basis of the submitted declaration (Appendix no. 7 to the Bylaws).

3. Income and liabilities of the loan taker and guarantors who are PK employees are established on the basis of information from the Payroll Department at PK.

§ 23

The use of both types of loans for residential purposes is allowed subject to repayment of at least 50% of the loan that has already been obtained.

§ 24

1. The granted loan is realized within 3 months from the date of approval of the application by ZKŚS pursuant to the agreement (Appendix no. 8 to the Bylaws) concluded between the loan taker and PK. The agreement on loan granting elaborated in two identical copies one for the loan taker and one for the loan provider is signed by the parties and by the guarantors in accordance with the provisions of the hereby Bylaws who obtain copies of the agreement in question.

2. The guarantor may be exclusively an employee of the Cracow University of Technology employed on a full-time basis whose income after deduction of own obligations and the level of the whole instalment of the guaranteed loan allows to maintain the non-deductible amount specified in accordance with the Labour Code. In case of the guarantor retiring or commencing receipt of pension benefits or terminating employment relationship, decrease of working time basis, the guarantee over the loan shall be passed onto another PK employee by way of an annex to the agreement within the term of 1 month from occurrence of this event. In case of non-submission by the loan taker of an additional guarantee provided by another PK employee within the above-specified term the loan, including interest, must immediately be repaid in its entirety. In the event of lack of repayment within the designated term the Loan Taker shall immediately obtain a call for payment.

3. One employee may be the guarantor for up to 2 loan takers simultaneously.

4. Spouses employed at the Cracow University of Technology cannot be the guarantors for one another nor can they be the Guarantors for the same Loan Taker.

5. Repayment of a loan granted for residential purposes commences as a maximum after the expiry of three months from the date of granting the loan. The term of commencement of repayment is defined in the Agreement.

6. In case of earlier repayment of the loan one must report this fact to the Department of Personnel and Social Benefits as a decrease in the amount of interest proportionally to the period of repayment specified in the Agreement occurs.

§ 25

1. Upon termination of employment relationship, subject to sec. 3, the unpaid loan must immediately be repaid in its entirety. In the event of lack of repayment within the designated term the Loan Taker shall immediately obtain a call for payment.

2. The obligation of immediate repayment of the loan shall not concern employees commencing retirement or starting to obtain pension benefits who submit a written commitment of timely payment of loan instalments directly to the fund account including a written consent of guarantors to secure further repayment of the loan by the Loan Taker.

3. In case of persons exempt, due to causes beyond the employee (so-called economic causes), the Committee may express consent for further instalment-based repayment of the loan after obtaining a written commitment of timely payment of loan instalments directly to the fund account including a written consent of guarantors to secure further repayment of the loan by the loan taker.

4. In case of lack of repayment by the loan taker of the loan, the loan provider shall immediately notify the guarantors of this fact and subsequently, pursue repayment of the loan including interest directly from the guarantors.

**Chapter XII. Final provisions**

§ 26

In case of lack of finances, the Committee shall be entitled to establish the sequence of granting provisions and limiting their level.

§ 27

Services and social benefits paid from ZFŚS, with the exception of the case specified in § 13, sec. 2 of the hereby Bylaws are subject to taxation according to the general principles, in accordance with the Act on individual income tax and other tax-related acts.

§ 28

In case of any matters unresolved within the hereby Bylaws, the provisions of the generally applicable law shall apply.