

**ACT OF NOVEMBER 21, 2008
ON SUPPORT FOR THERMO-REFURBISHMENT AND RENOVATION**

Based on the Journal of Laws of the Republic of Poland of 2008, No. 223, item 1459, of 2009, No 157, item 1241, of 2010, No 76, item 493.

**Section 1
General Provisions**

Article 1.

The Act sets forth the principles for funding a part of costs incurred in relation to thermo-refurbishment and renovation undertakings from Thermo-Refurbishment and Renovation Fund.

Article 2.

Terms referred to in the Act shall have the following meaning:

[1) investor – owner or administrator of a building, local heating network or local source of heat, except for budgetary units and entities;]

<1) investor - owner or administrator of a building, local heating network or local source of heat, except for budgetary units and sub-national (self-government) budgetary entities;>

The new wording of point 1 in Article 2 comes into effect as of January 1, 2011 (Journal of Laws of 2009, No 157, item 1241)

- 1a) owner of a part of residential building – an owner of at least one separate municipal dwelling unit in a residential building or an owner of non-separated municipal dwelling units in a residential building where at least one dwelling unit has been separated;
- 2) thermo-refurbishment undertakings – undertakings which are intended to:
 - a) bring about improvement, as a result of which the demand for energy supplied for domestic hot water and residential building heating purposes in residential buildings, multiple occupancy buildings and buildings owned by sub-national self government entities used by those entities for the purpose of public task execution,
 - b) bring about improvement, as a result of which primary energy losses in local heating networks and local sources of heat supplying those networks are reduced, provided that the buildings referred to in letter ‘a’ above to which energy is supplied from those networks meet energy efficiency requirements specified in the provisions of construction law,

- or measures were taken in order to reduce consumption of energy supplied to those buildings,
- c) unable technical connection to a centralized source of heat, in connection with liquidation of a local source of heat, as a result of which the costs of heat supply delivered to buildings listed in letter 'a' above are reduced,
 - d) complete or partial replacement of energy sources with renewable energy sources, or the application of highly efficient cogeneration;
- 3) renovation undertakings – undertakings related to thermo-refurbishment which consist in:
- a) renovation of multi-dwelling buildings,
 - b) replacement of windows or renovation of balconies in multi-dwelling buildings, even if they are used exclusively by the owners of a dwelling unit,
 - c) reconstruction of multi-dwelling buildings resulting in improvements in those buildings,
 - d) refurbishing multi-dwelling buildings with installations and equipment required for residential buildings, in accordance with technical and construction regulations;
- 4) multiple occupancy buildings – social welfare homes, lodgings for workers, boarding schools or dormitory facilities, campus lodgings, orphanages, senior citizen and disability pensioner homes, facilities for the homeless and other buildings of similar purpose, including vicarages, convents and monasteries;
- 5) multi-dwelling building – residential building with more than two dwelling units;
- 6) local heating network – heating network supplying heat to buildings from local sources of heat;
- 7) local source of heat:
- a) boiler or substation from which heat carrier is supplied directly to heating and hot water installation in the building,
 - b) area boiler or group heat exchanger together with heating network with rated capacity up to 11.6 MW, supplying heat to buildings;
- 8) energy audit – a study which defines the scope as well as technical and economic parameters pertaining to thermo-refurbishment undertaking, indicating the optimal solution, in particular in terms of costs incurred by the implementation of such undertaking and energy savings, which constitutes a part of construction design documentation;
- 9) renovation audit – a study which defines the scope as well as technical and economic parameters pertaining to renovation undertaking, and constitutes a part of construction design documentation;
- 10) bonus - thermo-refurbishment bonus, renovation bonus and compensation bonus;
- 11) lending bank – financial institution authorized, on statutory terms, to provide credit for thermo-refurbishment undertakings, renovation undertakings or renovation of a single-dwelling detached house that meets the criteria listed in Article 10, paragraph 1;
- 12) cost index of the undertaking – the ratio of cost of thermo-refurbishment undertaking, renovation undertaking, or renovation of a single-dwelling detached house that meets the criteria listed in Article 10, paragraph 1, calculated per 1 square meter of usable floor space of a residential building, to

the price of 1 square meter of usable floor space of a residential building recently announced by the President of Polish Central Statistical Office for the purpose of calculating guarantee premium prior to the quarter in which bonus application is filed;

13) municipal dwelling unit – dwelling unit in the meaning of the Act of 21 June, 2001, on protection of the rights of tenants, municipal housing stock and Civil Code amendments (Journal of Laws of 2005, No 31, item 266, with further amendments 1)), with regard to which tenancy was established pursuant to administrative decision on dwelling unit allocation or pursuant to another legal title prior to the introduction, in the town or city in question, public management of housing stock or special mode of tenancy, and the rent for that dwelling unit was:

a) regulated,

b) limited, on statutory terms, to the level of 3% replacement value of the dwelling unit, on annual basis,

c) limited, on statutory terms, as far as rent increases are concerned to 10% of rent paid to date, on annual basis,

- at any point in time between November 12, 1994, and April 25, 2005;

14) conversion factor – conversion factor for the cost of replacement of 1 square meter of usable floor space in residential buildings, in the meaning of the Act of 21 June, 2001, on protection of the rights of tenants, municipal housing stock and Civil Code amendments, in effect on the date on which bonus application was filed for the location applicable to the building referred to in the application.

- 1) Changes in consolidated text of the Act were promulgated in the Journal of Laws of the Republic of Poland of 2005, No 69, item 626, of 2006, No 86, item 602, No 167, item 1193 and No 249, item 1833, and of 2007, No 128, item 902 and No 173, item 1218.

Section 2 Thermo-Refurbishment Bonus

Article 3.

In connection with the execution of thermo-refurbishment undertaking, the investor is eligible for a bonus for the repayment of a part of credit taken in relation to thermo-refurbishment, hereinafter referred to as 'thermo-refurbishment bonus', provided that - according to energy audit - thermo-refurbishment undertaking will result in:

- 1) reduced annual demand for energy referred to in Article 2, point 2, letter 'a':
 - a) in buildings where only heating system is modernized - by at least 10%,
 - b) in the buildings where heating system was modernized after 1984 - by at least 15%,
 - c) in other buildings - by at least 25%, or
- 2) reduced annual energy losses referred to in Article 2, point 2, letter 'b' - by at least 25%, or
- 3) reduced annual costs of heat supply referred to in Article 2, point 2, letter 'c' - by at least 20%, or
- 4) energy source replacement with a renewable source of energy, or the application of highly efficient cogeneration.

Article 4.

Credit referred to in Article 3 shall not be allocated to the financing of works for which:

- 1) another credit was taken, involving the award of a of thermo-refurbishment or renovation bonus;
- 2) funding from European Union resources was obtained.

Article 5.

1. The amount of thermo-refurbishment bonus represents 20% of credit amount used, taken for the execution of thermo-refurbishment undertaking, subject to paragraph 2.
2. The amount of thermo-refurbishment bonus shall not exceed the amount equivalent to:
 - 1) 16% of costs incurred in relation to the execution of thermo-refurbishment undertaking, and
 - 2) double the amount of annual estimated energy cost savings, determined on the basis of energy audit.

Section 3 Renovation Bonus

Article 6.

1. The subject of a renovation undertaking eligible for renovation bonus shall be a multi-dwelling building which was commissioned for residential use before August 14, 1961.
2. The commencement of residential use referred to in paragraph 1 above shall be acknowledged by the investor with any and all document testifying to the actual possibility of residential use of a multi-dwelling building, and if such a document cannot be presented, by submission of a written statement testifying to the fact of residential use of the building.

Article 7.

1. An investor who is a natural person, a homeowners' association with a majority share of natural persons, a housing cooperative or social housing association, is eligible for bonus for the repayment of a part of credit taken in relation to the execution of renovation undertaking, hereinafter referred to as a "renovation bonus", if:
 - 1) as a result of execution of that undertaking, the annual demand for energy supplied to the multi-dwelling building for domestic hot water purposes will be reduced by at least 10%, subject to paragraph 2 and paragraph 3, point 1 and 2, and
 - 2) the cost index of the undertaking shall not be lower than 0.05 and shall not be higher than 0.70, subject to paragraph 3, point 3.
2. In the event when the cost index of the undertaking exceeds 0.3, renovation bonus can be obtained provided that the annual demand for energy referred to in Article 2, point 2, letter 'a', is reduced by at least 25%.
3. In the event when the multi-dwelling building in question had been subject to:

- 1) renovation undertaking in connection with which renovation bonus was paid out
- bonus related to another renovation undertaking connected with the same building can be granted provided that savings referred to in paragraph 1, point 1, are at the level of at least 5%, unless – in consequence of undertakings performed earlier – there were savings at the level of at least 25% of annual demand for energy prior to the execution of the first renovation undertaking;
 - 2) thermo-refurbishment undertaking in connection with which thermo-refurbishment bonus was paid out – conditions set forth in point 1 and paragraph 1, point 1 and paragraph 2, shall not apply;
 - 3) renovation or thermo-refurbishment undertaking in connection with which renovation or thermo-refurbishment bonus was paid out, respectively - the aggregate value of undertaking cost indices defined as of the date of submission of each bonus application shall not be higher than 0.70.
4. Provisions set out in paragraph 3, points 2 and 3, shall also apply with regard to thermo-refurbishment undertaking in connection with which thermo-refurbishment bonus was paid out pursuant to the regulations in force prior to the effective date of the Act.
5. The investor referred to in paragraph 1, who submitted more than one bonus application, shall be eligible for renovation bonus if:
- 1) the scope of work referred to in the applications is different, and
 - 2) the aggregate value of cost indices of those undertakings and the undertaking referred to in paragraph 3, point 3, defined as of the date of submission of each bonus application, is not higher than 0.70.
6. In the event when, according to renovation audit of a multi-dwelling building, the building meets energy efficiency requirements specified in the provisions of construction law, terms and conditions set out in paragraph 1, point 1, paragraph 1, point 2, and paragraph 3, point 1, shall not apply.

Article 8.

Credit referred to in Article 7, paragraph 1, shall not be allocated to:

- 1) dwelling unit renovation, except for works referred to in Article 2, point 3, letter 'b';
- 2) works in result of which usable floor space of the building will be increased;
- 3) funding of works for which:
 - a) another credit was taken, involving thermo-refurbishment or renovation bonus,
 - b) European Union budget funding was obtained.

Article 9.

1. The amount of renovation bonus represents 20% of credit amount used, referred to in Article 7, paragraph 1, but in any case not more than 15% of the costs incurred by renovation undertaking, subject to paragraph 2.
2. In the event when there are units other than dwelling units in the building subject to renovation undertaking, the amount of renovation bonus shall represent the product of the amount determined in accordance with paragraph 1 and the index of share of usable floor space of dwelling units in the usable floor space of all units in that building.

3. Renovation bonus representing state aid in the meaning of Article 87, paragraph 1, of the Treaty Establishing the European Community, shall be granted as *de minimis* aid, in compliance with terms and conditions set forth in Commission Regulation (EC) no 1998/2006 dated December 15, 2006, on the application of Article Article 87 and 88 of the Treaty with regard to *de minimis* aid (Official Journal of the European Union L 379 of 28.12.2006, page 5). Renovation bonus shall not be granted to an entity in economic difficulty, which meets the criteria defined in European Union regulations in scope of state aid ²⁾.

- 2) These criteria are specified in points 9-11 of Community Guidelines on State Aid for Rescuing and Restructuring Firms in Difficulty (Official Journal of the European Union C 244, of 1 October, 2004, page 2).

Section 4 Compensation Bonus

Article 10.

1. An investor who is a natural person and owner of a residential building with at least one municipal dwelling unit, or an owner of a part of residential building and, as of April 25, 2005, was an owner of that residential building or that part of residential building, or acquired that building or part of a building through inheritance from the person who was an owner on that date – is eligible for compensation bonus.

2. In the event of co-ownership of a residential building or a part of residential building referred to in paragraph 1, the investor is jointly all co-owners who are natural persons and were co-owners of that building or part of a building also on April 25, 2005, or acquired co-ownership in that building or part of a building through inheritance from the person who was an owner or co-owner on that date.

3. With regard to the residential building or part of residential building, compensation bonus is due just once.

4. Compensation bonus shall be allocated to re-financing of all or some of the costs incurred by:

- 1) renovation undertaking,
- 2) renovation of a single-dwelling detached building

– as long as they relate to the building that meets the criteria listed in paragraph 1.

Article 11.

1. With regard to an investor referred to in Article 10, paragraph 1, the amount of compensation bonus is equal to the product of undertaking cost index and the amount equivalent to 2% of conversion factor per each square meter or usable floor space in a municipal dwelling unit for each year in which limitations referred to in Article 2, point 13, were applicable to that unit, in the period between November 12, 1994 and April 25, 2005, and in the event of acquisition of a building or part of

building after November 12, 1994, in a way different than through inheritance, from the date of acquisition until April 25, 2005.

2. If undertaking cost index is lower than 0.5, for the purpose of compensation bonus calculation it shall be assumed that the index is equal to 0.5.

3. If undertaking cost index is higher than 0.7, for the purpose of compensation bonus calculation it shall be assumed that the index is equal to 0.7.

4. The algorithm used for the calculation of compensation bonus amount is specified in the Annex to the Act.

Article 11a.

1. With regard to an investor referred to in Article 10, paragraph 2, if at least one co-owner acquired legal title after November 12, 1994, in a way different than through inheritance, the amount of compensation bonus afforded to the investor is calculated on the basis of the period starting on the date on which the legal title was acquired by the co-owner who acquired that title the earliest, but not earlier than on November 12, 1994.

2. With regard to an investor referred to in Article 10, paragraph 2, if the aggregate of shares in co-ownership is smaller than one, the amount of compensation bonus afforded to the investor represents the product of the sum of shares in co-ownership and the amount determined in accordance with Article 11.

Section 5 Bonus Award Principles

Article 12.

1. Bonuses are awarded by *Bank Gospodarstwa Krajowego*, hereinafter referred to as the „BGK”, from the proceeds of Thermo-Refurbishment and Renovation Fund, hereinafter referred to as the „Fund”.

2. An investor shall file bonus application to BGK through the lending bank.

3. The lending bank, when forwarding the application referred to in paragraph 2 to BGK, shall attach thereto the credit agreement concluded on the premise of bonus award.

4. In the event when the entire undertaking or renovation referred to in Article 10, paragraph 4, is intended to be completed from resources other than the credit in respect of which thermo-refurbishment bonus or renovation bonus was awarded, an investor shall file compensation bonus application directly to BGK.

5. In the event referred to in paragraph 4, terms and conditions specified in Article 7, paragraph 1, point 1, paragraph 2, and paragraph 3, point 1, shall not apply.

Article 13.

1. The following documents shall be attached to thermo-refurbishment bonus application:

1) energy audit;

2) declaration signed by the investor, stating that the credit for thermo-refurbishment undertaking is not allocated to the financing of works for which European Union budget funding was obtained or another credit was taken, involving the award of thermo-refurbishment or renovation bonus.

2. Energy audit should contain:

- 1) identification data pertaining to:
 - a) the building, local source of heat or local heating network,
 - b) the investor, including: with regard to a natural person, full name and surname, mailing address and PESEL number, and with regard to foreign citizens, identity document name and number;
- 2) assessment of technical condition of the building, local source of heat or local heating network;
- 3) description of feasible options for the execution of thermo-refurbishment undertaking;
- 4) indication of optimal solution in scope of thermo-refurbishment undertaking.

Article 14.

1. The following documents shall be attached to renovation bonus application:

- 1) renovation audit;
- 2) declaration signed by the investor, stating that the credit for renovation undertaking is not allocated to the financing of works for which European Union budget funding was obtained or another credit was taken, involving the award of thermo-refurbishment or renovation bonus;
- 3) all certificates in scope of *de minimis* aid obtained during current fiscal year and two previous fiscal years.

2. Renovation audit should contain:

- 1) identification data pertaining to:
 - a) residential building,
 - b) the investor, including: with regard to a natural person, full name and surname, mailing address and PESEL number, and with regard to foreign citizens, identity document name and number;
- 2) calculation of E coefficient value defining computational demand for final energy (heat) required to heat the building in heating season;
- 3) indication of material scope of work necessary to meet the condition referred to in Article 7, paragraph 1, point 1, or paragraph 2;
- 4) plan of renovation work referred to in the regulations defining terms and conditions applicable to residential buildings;
- 5) indication of the scope of renovation work included in renovation undertaking described in the application, in accordance with the plan of renovation work and material scope of work, referred to in point 3;
- 6) documents specifying estimated cost of the undertaking.

Article 15.

1. Compensation bonus application shall be filed together with renovation bonus application, subject to paragraph 4.

2. Compensation bonus application should contain:

- 1) identification data pertaining to the residential building;
- 2) full name and surname, mailing address and PESEL number, and with regard to foreign citizens, identity document name and number;
- 3) information about municipal dwelling units, their usable floor space and periods during which the tenancy of those dwelling units was subject to

limitations referred to in Article 2, point 13, in the scope required for the calculation of compensation bonus amount, pursuant to Articles 11 and 11a.

3. Together with compensation bonus application, documents or certified copies of documents confirming the information listed in paragraph 2, point 3, as well as the documents testifying to compliance with conditions referred to in Article 10, paragraph 10, points 1 or 2, shall be attached.

4. In the event referred to in Article 12, paragraph 4, together with compensation bonus application the documents specifying material scope and estimated cost of undertaking or renovation shall be attached.

Article 16.

1. BGK shall award bonuses within the limits of disposable proceeds of the Fund, in keeping with the limits for each type of bonus, as specified in Financial Plan of the Fund.

2. In the event when there is periodic lack of disposable proceeds in the Fund:

1) BGK shall publish the announcement on the lack of disposable proceeds in the Fund, and lending banks shall suspend the receipt of applications as of the day directly following the day of such an announcement. Receipt of applications shall be resumed according to the same procedure once disposable proceeds in the Fund are available;

2) BGK shall promptly notify the investor and the lending bank that submitted bonus application has not been processed. Applications pending processing shall be given priority in processing as soon as there are disposable proceeds available in the Fund.

3. BGK shall publish the notification referred to in paragraph 2, point 1, in the Public Information Bulletin.

Article 17.

1. BGK shall consider bonus applications in the order in which they were received.

2. BGK shall verify energy audit or renovation audit in the part specified in Article 14, paragraph 2, points 2 and 3, or commission such verification with other entities selected in accordance with the provisions of the Act of 29 January 2004 – Public Procurement Law (Journal of Laws of 2007, No 223, item 1655, and of 2008, No 171, item 1058 and No 220, item 1420.)

3. BGK shall notify the investor and the lending bank about negative outcome of the verification.

4. If the outcome of audit verification is positive and it is determined that bonus award conditions have been met, BGK shall notify the investor and the lending bank about bonus award, with information about bonus amount.

5. In the event when credit agreement is modified with regard to the scope of the undertaking or credit amount, bonus application must be filed again, except for the circumstances when the change in credit agreement pertains only and exclusively to credit amount and occurs prior to bonus award decision taken by BGK.

Article 18.

1. Minister competent for construction sector, spatial management and housing shall specify, by the way of ordinance, a detailed scope and forms of energy audit and

renovation audit in the part referred to in Article 14, paragraph 2, points 2 and 3, as well as the algorithms for the evaluation of economic viability of thermo-refurbishment undertaking, together with the templates of energy audit and renovation audit cards in the part referred to in Article 14, paragraph 2, points 2 and 3, with due consideration for the selection of optimal solutions and accuracy of audit performance.

2. Minister competent for construction sector, spatial management and housing shall specify, by the way of ordinance, a detailed scope and mode of energy audit and renovation audit verification in the part referred to in Article 14, paragraph 2, points 2 and 3, as well as detailed conditions to be satisfied by the entities with which BGK may commission such audit verification, with due consideration for the efficiency and accuracy of audit verification.

Article 19.

1. Subject to paragraph 3, BGK shall transfer the bonus to the lending bank if the undertaking has been:

- 1) executed in accordance with construction design;
- 2) completed within deadline specified in credit agreement.

2. Lending bank shall allocate the bonus to the repayment of credit used by the investor.

3. BGK shall transfer compensation bonus once credit amount has been used up in the amount not lower than the amount of compensation bonus awarded.

4. In the event referred to in Article 12, paragraph 4, BGK shall transfer compensation bonus to the investor once the investor has covered the expenses incurred by the undertaking or renovation, in accordance with material scope referred to in Article 15, paragraph 4, in the amount not lower than the amount of compensation bonus awarded.

5. The amount of expenditures incurred in relation to purposes referred to in paragraph 4 shall be determined on the basis of invoices in the meaning of value added tax regulations.

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Article 20.

BGK shall maintain electronic database register of buildings in respect of which the bonus has been awarded, as well as a register of bonuses awarded and paid, with due consideration for the need to confirm that bonus award conditions referred to in Article 7 and Article 10, paragraph 2, have been met.

Article 21.

1. In respect of awarded bonus, BGK shall receive commission fee from the investor in the amount equivalent to 0.6 % awarded bonus amount.

2. Lending bank shall collect the fee referred to in paragraph 1 on the date on which the first tranche of credit is launched, and transfer it to the account indicated by BGK.

3. In the event referred to in Article 12, paragraph 4, BGK shall deduct the commission fee due from the amount of compensation bonus paid to the investor.

Article 22.

Rules of cooperation between BGK and the lending bank in scope of methods and dates of settlements in respect of bonus transfer shall be set forth in the agreement.

Article 23.

1. Thermo-Refurbishment and Renovation Fund shall be established in BGK.
2. The Fund shall take over the assets and liabilities of Thermo-Refurbishment Fund established pursuant to the act referred to in Article 30.
3. Minister competent for State Treasury shall modify BGK charter to make sure that it is compliant with provisions set forth in the Act, considering the principles governing Fund establishment and purpose.

Article 24.

1. Fund is made up of:
 - 1) resources provided from the state budget – in the amount specified in the Budget Law;
 - 2) interest on deposits kept by the Fund in banks;
 - 3) proceeds from the investment of Fund resources in securities issued by the State Treasury or by the National Bank of Poland, as well as bonds and bills guaranteed by the State Treasury or by the National Bank of Poland, and money market fund units referred to in Article 178, Act of May 27, 2004, on Investment Funds (Journal of Laws No 146, item 1546, with further amendments ³⁾);
 - 4) donations and bequests;
 - 5) other proceeds.
2. The sum of deposits referred to in paragraph 1, point 2, in one bank or a group of banks inter-related in terms of capital or organizational structure, shall not exceed 15% of periodically disposable proceeds of the Fund.

³⁾ Changes to that Act were promulgated in the Journal of Laws of 2005, No 83, item 719, No 183, items 1537 and 1538, No 184, item 1539, of 2006, No 157, item 1119, and of 2007, No 112, item 769.

Article 25.

1. Proceeds of the Fund shall be allocated to the following purposes:
 - 1) payment of awarded bonuses;
 - 2) covering the costs incurred by energy audit and renovation audit verification;
 - 3) covering operating expenses of the Fund;
 - 4) covering promotional expenses of the Fund.
2. Periodically disposable proceeds of the fund may be:
 - 1) deposited in other banks, subject to article 24, paragraph 2;
 - 2) invested in securities or units referred to in Article 24, paragraph 1, point 3.

Article 26.

BGK shall:

- 1) recognize in its Financial Plan the Financial Plan of the Fund, developed in consultation with the minister competent for public finance, the minister competent for the environment, and the minister competent for construction sector, spatial management and housing;
- 2) draw up a separate balance sheet and profit and loss account for the Fund, included in Financial Statement of the bank.

Article 27.

1. BGK shall report to the minister competent for construction sector, spatial management and housing, before the end of the month directly following each quarter, the information about the amount of awarded bonuses, expected dates of bonus payment, and the amounts of bonuses paid separately for thermo-refurbishment bonuses, renovation bonuses and compensation bonuses.
2. Based on the information obtained from energy audits, BGK shall report to the minister competent for the environment, on annual basis, the information about planned changes in the demand for fuels and planned reduction in the demand for energy, resulting from thermo-refurbishment undertakings performed.
3. BGK shall submit to the minister competent for construction sector, spatial management and housing, on a quarterly basis, a report on the execution of Financial Plan of the Fund.

Section 6

Amending and Final Provisions

Article 28.

In the Act of July 26, 1991, on Personal Income Tax (Journal of Laws of 2000, No 14, item 176, with further amendments ⁴⁾), in Article 21, paragraph 1, point 132, a dot is replaced with a comma, and point 133 is added, in the wording as follows:

„133) thermo-refurbishment bonus, renovation bonus and compensation bonus obtained pursuant to the Act of November 21, 2008, on Support for Thermo-Refurbishment and Renovation (Journal of Laws No 223, item 1459).”.

⁴⁾ Changes in the consolidated text of that Act were promulgated in the Journal of Laws of the Republic of Poland of 2000, No 22, item 270, No 60, item 703, No 70, item 816, No 104, item 1104, No 117, item 1228 and No 122, item 1324, of 2001, No 4, item 27, No 8, item 64, No 52, item 539, No 73, item 764, No 74, item 784, No 88, item 961, No 89, item 968, No 102, item 1117, No 106, item 1150, No 110, item 1190, No 125, item 1363 and 1370 and No 134, item 1509, of 2002, No 19, item 199, No 25, item 253, No 74, item 676, No 78, item 715, No 89, item 804, No 135, item 1146, No 141, item 1182, No 169, item 1384, No 181, item 1515, No 200, item 1679 and No 240, item 2058, of 2003, No 7, item 79, No 45, item 391, No 65, item 595, No 84, item 774, No 90, item 844. No 96, item 874, No 122, item 1143, No 135, item 1268, No 137, item 1302, No 166, item 1608, No 202, item 1956, No 222, item 2201, No 223, item 2217 and No 228, item 2255, z 2004 No 29, item 257, No 54, item 535, No 93, item 894, No 99, item 1001, No 109, item 1163, No 116, item 1203, 1205 and 1207, No 120, item 1252, No 123, item 1291, No 151, item 1596, No 162, item 1691, No 210, item 2135, No 263, item 2619 and No 281, item 2779 and 2781, of 2005, No 25, item 202, No 30, item 262, No 85, item 725, No 86, item 732, No 90, item 757, No 102, item 852, No 143, item 1199 and 1202, No 155, item 1298, No 164, item 1365 and 1366, No 169, item 1418 and 1420, No 177, item 1468, No 179, item 1484, No 180, item 1495 i No 183, item 1538, z 2006 No 46, item 328, No 104, item 708 and 711, No 107, item 723, No 136, item 970, No 157, item 1119, No 183, item 1353 and 1354, No 217, item 1588, No 226, item 1657 and No 249, item 1824, of 2007, No 35, item 219, No 99, item 658, No 115, item

791 and 793, No 176, item 1243, No 181, item 1288, No 191, item 1361 and 1367, No 192, item 1378, No 211, item 1549 and of 2008 No 97, item 623, No 141, item 888, No 143, item 894, No 209, item 1316 and No 220, item 1431 and 1432.

Article 29.

In the Act of November 30, 1995, on state aid for the repayment of some housing credits, granting guarantee premiums and refund of paid guarantee premiums to the banks (Journal of Laws of 2003, No 119, item 1115, with further amendments ⁵⁾), the following changes are made:

1) in Article 3, paragraph 1, point 9, a dot is replaced with a semi-colon and point 10 is added, in the wording as follows:

„10) renovation of a dwelling unit whose owner has a housing savings account (PL *książeczka mieszkaniowa*) or is entitled to a cooperative property right to that dwelling unit, which consist in the replacement of:

- a) windows, or
- b) gas installation, or
- c) electricity installation,

- provided that the total cost of renovation work is not smaller than the value of assets on housing savings account together with the guarantee premium, determined as of the date on which guarantee premium application was filed, subject to limitations referred to in Article 3d.”;

2) after Article 3c, Article 3d is added, in the wording as follows:

„Article 3d. 1. In order to exercise the right to a guarantee premium, pursuant to Article 3, paragraph 1, point 10, the owner of a housing savings account shall file guarantee premium application in the year determined in relation to the year in which housing savings account was opened.

2. The time-span between the years in which the owner of a housing savings account may file guarantee premium application pursuant to Article 3, paragraph 1, point 10, cannot exceed the period of 3 years.

3. The minister competent for construction sector, spatial management and housing shall define, by the way of ordinance, and upon prior consultation with the minister competent for public finance, the schedule of execution of guarantee premium entitlements in connection with dwelling unit renovation, with due consideration for the provisions of paragraphs 1 and 2, and taking into account the need to evenly distribute state budget liabilities in respect of guarantee premium refund over subsequent years.”

⁵⁾ Changes in the consolidated text of that Act were promulgated in the Journal of Laws of the Republic of Poland of 2004, No 213, item 2157, of 2005, No 94, item 786 and of 2006, No 53, item 385 and No 249, item 1828.

Article 30.

With regard to thermo-refurbishment applications filed by the investor prior to the effective date of the Act, hitherto binding regulations shall apply.

Article 31.

The Act of December 18, 1998, on Support for Thermo-Refurbishment Undertakings shall be repealed. (Journal of Laws No 162, item 1121, with further amendments ⁶⁾).

6) Changes in the text of that Act were promulgated in the Journal of Laws of the Republic of Poland of 2000, No 48, item 550, of 2001, No 76, item 808, and No 154, item 1800, of 2002, No 25, item 253, of 2004, No 146, item 1546, and No 213, item 2157, and of 2006, No 220, item 1600.

Article 32.

The Act shall enter into force after 3 months from the date of promulgation.

Annex to the Act of November 21, 2008 (item 1459)

Algorithm used for the calculation of compensation bonus amount:

$$P = k * 0.02 * w * \sum_{i=1}^n (p_{ui} * m_i / 12)$$

Explanation:

P – compensation bonus amount;

Pursuant to Article 11, paragraphs 2 and 3:

$k =$

a/ 0.5, when undertaking cost index is lower than 0.5,

b/ undertaking cost index, when that index is not lower than 0.5 and not greater than 0.7,

c/ 0.7, when undertaking cost index is greater than 0.7;

w – conversion factor value;

n – number of municipal dwelling units in a residential building or a part of residential building;

p_{ui} – usable floor space of 'ith' municipal dwelling unit;

m_i – number of months, expressed as a figure, during which the limitations referred to in Article 2, point 13, were applicable to the 'ith' municipal dwelling unit, in the period between November 12, 1994, and April 25, 2005, and in the event when the residential building or a part of residential building with that municipal dwelling unit was acquired after November 12, 1994, in a way different than through inheritance, from the date of the acquisition until April 25, 2005.

Number of months is rounded up to a full month.

The result of compensation bonus calculation is rounded up to a full *zloty* (1 PLN).