

Legal and regulatory compliance

In 2011, no complaints regarding breaches of customer privacy or loss of data were received by Grupa LOTOS or the LOTOS Group's marketing companies: LOTOS Kolej, LOTOS Oil, LOTOS Paliwa and LOTOS Parafiny.

No significant incidents concerning the provision and use of products and services were reported in 2011. Consequently, no significant penalties for non-compliance with laws or regulations concerning the provision and use of products and services were imposed on any member of the LOTOS Group.

However, the proceedings described in the "Impact on the society" chapter of this Report, [Link → \(http://raportroczny.lotos.pl/en/society/impact-on-the-society/anti-competitive-behaviour\)](http://raportroczny.lotos.pl/en/society/impact-on-the-society/anti-competitive-behaviour), concerning the anti-trust action taken by the President of the Competition and Consumer Protection Office, were pending in 2010-2011. On March 10th 2011, Grupa LOTOS paid the liability of PLN 1,000 thousand imposed on it by the court ruling of February 11th 2011, using the provision created earlier for the purpose.

In 2011, the proceedings of the Polish Energy Regulatory Office (URE) concerning negative results of the fuel quality inspection conducted at LOTOS Paliwa in 2009 were also completed. A fine of PLN 50 thousand was imposed on LOTOS Paliwa (the highest administrative sanction in the reporting period). The Regional Court of Warsaw allowed the company's appeal against the above decision of the President of URE and reduced by half the original fine amount (PLN 100 thousand). In the grounds to the decision, the court also confirmed that the event under review was not a consequence of LOTOS Paliwa's negligence, but resulted from wilful and unauthorised actions of third parties, which, however, did not release the company from its legal responsibility in the case.