

# Current Report 8/2003



## Date of the General Shareholders' Meeting, the Agenda, the proposed amendments to the Statute

Pursuant to §49, item 1, points 1 and 2 of the Council of Ministers Ordinance dated October 16, 2001 regarding the current and periodical information disclosed by issuers of securities (Journal of Acts No. 139/2001, item 1569 and No. 31/2002, item 280), the Board of Executives of Fortis Bank Polska SA hereby announces that it decided to convene the General Shareholders' Meeting on June 26, 2003. The General Shareholders' Meeting shall be held at ul. Postępu 15 in Warszawa at 15.00 hours.

Please find below the announcement regarding the General Shareholders' Meeting, which will be published in the Monitor Sądowy i Gospodarczy No. 107 dated June 3, 2003.

The Board of Executives of Fortis Bank Polska SA seated in Warsaw, entered under no. KRS 6421 into the National Court Register maintained by the District Court for Warsaw, XX Commercial Department - acting on the basis of Art. 399, §1 and Art. 395, §1 of the Company Code, hereby convenes the GENERAL SHAREHOLDERS MEETING of Fortis Bank Polska SA for June 26, 2003. The Meeting will be held at ul. Postępu 15 in Warsaw, at 3 p.m.

### **Agenda of the General Shareholders' Meeting:**

1. Opening of the Meeting.
2. Election of the Chairman of the Meeting and confirmation of the Meeting legality.
3. Approval of the Agenda.
4. Election of the Secretary of the Meeting.
5. Approval of the Rules of Procedures of the Meeting.
6. Presentation of the 2002 Financial Statements, the Board of Executives Report regarding Fortis Bank Polska activity in 2002 and the 2002 Supervisory Board Report.
7. Adopting resolutions regarding the following issues:
  - a. approval of the 2002 Financial Statements and the 2002 Board of Executives Report.
  - b. approval of the 2002 Supervisory Board Report.
  - c. approval of the discharge of Board of Executives' duties in the 2002 fiscal year.
  - d. approval of the discharge of the Supervisory Board's duties in the 2002 fiscal year.
  - e. distribution of the 2002 profit.

8. Adopting a resolution regarding covering financial effects of the amendments to the Accounting Act.
9. Adopting a resolution regarding amendments to the Bank Statute and authorization of the Supervisory Board to introduce a unified text of the amended Statute.
10. Consideration of the statement on Corporate Governance Rules implementation at Fortis Bank Polska S.A.
11. Miscellaneous.
12. Closing of the Meeting.

**The Bank Board of Executives presents herein the proposed amendments to the Bank's Statute:**

Amendments to Chapter I

The existing title of Chapter I "Name and seat"

The proposed title of Chapter I "General provisions".

The existing §4 and 5 shall be incorporated into the Chapter I "General provisions" and their numbering changed into §3 and 4 respectively. The numbering of the subsequent paragraphs is amended as appropriate.

Amendments to §3:

§ 3 item 1 shall be deleted:

"1. The Bank conducts business activity aimed at creation of more competitive financial service conditions intended for individuals and corporate clients as well as organizational units having no legal status. In particular, the target market of the Bank are small and medium size businesses."

the existing wording of § 3 item 2, letters a) and b):

"2. The scope of Bank business shall include:  
a) accepting deposits,  
b) maintaining bank accounts,"

§ 3 item 2 shall read as follows:

"2. The scope of Bank business shall include:  
a) accepting deposits due on demand and/or in fixed date and maintaining bank accounts for such deposits,  
b) maintaining the other bank accounts and securities custody accounts,"

§ 3 item 2 letter t) is added in the following wording:

"t) issuance of instrument of electronic money."

Amendments to §7:

the existing wording of § 7 item 5:

"5. Redemption of shares shall be allowed to take place also through reduction of the share capital"

§ 7 item 5 shall read as follows:

"5. Redemption of shares requires reduction of the share capital."

Amendments to §14:

the existing wording of § 14 item 6, letter d):

"d) The Supervisory Board may adopt resolutions by voting using direct telecommunication means."

§ 14 item 6, letter d) shall read as follows:

"d) The Supervisory Board may adopt resolutions by voting using direct telecommunication means, including telephone and Internet."

§ 14 items 6-8

The numbering and sequence of provisions under §14 items 6-8 should be changed.

§ 14 item 12 is inserted in the following wording:

"The Supervisory Board resolution shall not be adopted by voting in writing or using direct telecommunication means in case of election of the chairman and deputy chairman of the Supervisory Board, appointment of the Member of the Board of Executives and removal or suspension of such persons in performance of their duties."

Amendments to §15:

the existing wording of § 15 item 3, letter h):

"3. Reserved for the competence of the Supervisory Board shall be in particular the following issues:  
h) appointment and recalling of the President of the Bank, Vice Presidents and Members of the Board of Executives as well as determination of their remuneration"

§ 15 item 3, letter h) shall read as follows:

"3. Reserved for the competence of the Supervisory Board shall be in particular the following issues:  
h) appointment and recalling of the President of the Bank, Vice Presidents and Members of the Board of Executives as well as determination of their remuneration. The Board may delegate one or more of its members to a committee empowered to make decisions on remuneration of members of the Board of Executives."

Amendments to §16:

the existing wording of § 16 item 4:

"4. Resolutions of the Board of Executives shall be adopted by a simple majority of votes. In case of equal number of votes "for" and "against", the President of the Board shall have the casting vote. Scope of rights and obligations of the Board of Executives as well as its operational procedures shall be defined in the Board of Executives regulations."

§ 16 item 4 is divided into items 4 and 5, which shall read as follows:

"4. Resolutions of the Board of Executives shall be adopted by a simple majority of votes. In case of equal number of votes "for" and "against", the President of the Board shall have the casting vote.

5. Scope of rights and obligations of the Board of Executives as well as its operational procedures shall be defined in the Board of Executives regulations approved by the Supervisory Board."

Amendments to §20:

the existing wording of § 20 item 1:

"1. The Bank's eligible own funds (fundusze własne) are the following:

1) Original own funds (Tier 1) (fundusze podstawowe), which include:

a) core funds (fundusze zasadnicze), i.e.:

- equity capital (kapitał zakładowy),
- additional capital (kapitał zapasowy) - earmarked for the coverage of balance sheet losses,
- reserve capital (kapitał rezerwowy) - earmarked for the coverage of specific losses and expenses,

b) other items of the original own funds:

- general risk fund - earmarked for the coverage of unidentified risks related to banking activity,
- undistributed profit from previous years,

c) deductions in calculating the original own funds:

- own shares held by the Bank,
- intangible assets,
- uncovered loss from previous years, including a loss to be approved,
- loss as of the end of a reporting period.

2) Supplementary own funds (Tier 2) (fundusze uzupełniające), including:

- a) fixed assets revaluation capital,
- b) subordinated debts subject to the Banking Supervision Commission's consent
- c) other balance sheet items as defined by the Banking Supervision Commission

3) Deductions in calculating the eligible own funds, including:

- a) specific reserve missing amount.
- b) other deductions specified by the Banking Supervision Commission."

§ 20 item 1 shall read as follows:

"1. The Bank sets up the following funds:

- a) share capital,
- b) additional capital ("kapitał zapasowy") - earmarked for the coverage of balance sheet losses,
- c) reserve capital ("kapitał rezerwowy") - earmarked for the coverage of specific losses and expenses,
- d) general risk fund - earmarked for the coverage of unidentified risks related to

banking activity,  
e) the other funds imposed by law."

the existing wording of § 20 item 2:

"2. All capital categories and funds established originate from the net profit, unless regulations require or permit their creation, increase or replenishment in other way. The additional capital is established from net profit deductions, amounting to the level to be decided upon at the General Shareholders' Meeting, albeit not higher than 10% per annum; such deductions shall amount to at least 8% of the profit for a given fiscal year until the additional capital has reached at least one third of the equity capital. The additional capital shall also accommodate the surplus between the issue and nominal price of the Bank shares and also supplementary payments effected by the Bank shareholders earmarked for the coverage of balance sheet losses. Deductions for the additional capital may be still carried out even if the amount of the capital has reached a half of the equity capital."

§ 20 item 2 is amended as follows:

"2 All capital categories and funds established originate from the net profit, unless regulations require or permit their creation, increase or replenishment in other way. The additional capital is established from net profit deductions, amounting to the level to be decided upon at the General Shareholders' Meeting. The additional capital shall also accommodate the surplus between the issue and nominal price of the Bank shares and also supplementary payments effected by the Bank shareholders earmarked for the coverage of balance sheet losses."

the existing wording of § 20 item 3:

"3. The General Shareholders' Meeting shall decide upon the creation and dissolution of capital categories other than the ones referred to in item 1 above, as well as upon means needed for the creation, increase or replenishment of any capital or fund, provided that the means originate from the net profit. The Board of Executives decides upon allocation of means derived from other sources, and upon the creation of a fund financed exclusively from other sources."

§ 20 item 3 shall read as follows:

"3. The General Shareholders' Meeting shall decide upon the creation and dissolution of capital categories or funds other than the ones referred to in item 1 above, as well as upon means needed for the creation, increase or replenishment of any capital or fund, provided that the means originate from the net profit. The Board of Executives decides upon allocation of means derived from other sources, and upon the creation of a fund financed exclusively from other sources."

Amendments to §21:

the existing wording of § 21 item 1, letter a):

"1. The net profit approved at the General Shareholders' Meeting shall be allocated as follows:  
a) up to 10% of the profit shall be used for the replenishment of the additional capital until the latter reaches a half of the share capital; after the additional capital has

reached that level, the said profit amount may be used for further replenishment of the additional capital."

§ 21 item 1, letter a) shall read as follows:

"1. The net profit approved at the General Shareholders' Meeting shall be allocated as follows:

a) up to 8% of the profit shall be used for the replenishment of the additional capital until the latter reaches one third of the share capital; after the additional capital has reached that level, the said profit amount may be used for further replenishment of the additional capital."

Amendments to §22:

the existing wording of § 22 item 2:

"2. The Internal Audit Department shall monitor, check and assess the effectiveness of the Bank's internal controls. Detailed rules and procedures of the audit conducted by the Internal Audit Department are established in the regulations approved by the Bank Board of Executives."

§ 22 item 2 shall read as follows:

"2. The Internal Audit Department shall monitor, check and assess the effectiveness of the Bank's internal controls. Detailed rules and procedures of the audit conducted by the Internal Audit Department are established in the internal regulations approved by the Bank Board of Executives."

The Board of Executives kindly informs you that all Shareholders of the Bank are entitled to participate in the General Shareholders' Meeting, either in person or through their proxies. Authorizations for the proxies should be granted in writing otherwise shall be null and void. Representatives of corporate entities should submit valid abstracts from relevant registers that enumerate persons authorized to represent those entities. Persons not mentioned in the abstract from the commercial registers should present appropriate powers of attorney. Joint owners of shares shall appoint their representative to take part in the General Shareholders' Meeting.

The right to participate in the General Shareholders' Meeting is vested in:

1. The shareholders who have submitted their depository certificates, issued by Brokerage Houses or other entities that maintain their investment accounts, at the Bank's General Secretariat (working hours - 8 a.m. - 5 p.m.), ul. Postępu 15, Warsaw, not later than 7 days before the date of the Meeting, i.e. until June 20, 2003, 5 p.m., and shall not collect them until the Meeting is closed.
2. The shareholders that have not collected their depository certificates from the Bank until June 20, 2003 till 5 p.m., and who by this day have notified the Bank in writing about their intention to participate in the Meeting.

Any depository certificate that has been submitted to the Bank, before the General Shareholders' Meeting, should include data specified in Article 10, item 2 of the Public Trading in Securities Act, and in particular: depository certificate issuance purpose, its validity term and a clause stating that upon its issuance, the Bank shares shall be blocked until the end of the Meeting on the shareholder's investment account.

The list of Shareholders authorized to take part in the General Shareholders' Meeting, signed by the Board of Executives members and comprising the names and surnames of the eligible persons, their addresses, joint number of shares and number of votes - shall be made available in the Secretariat of the Bank in Warsaw, ul. Postępu 15, within three business days before the Shareholders' Meeting.

Starting from June 18, 2003 any shareholder may request the copies of the motions regarding issues included in the Agenda of the Meeting.

The copies of the Board of Executives Report on Fortis Bank Polska SA activity in the year 2002 and financial statements as well as the Supervisory Board's Report on activity in 2002 shall be issued to the shareholders on their request starting from June 11, 2003.

Registration of the participants will start at 2.30 p.m. on the day of the Meeting.