

Subject: Contents of the draft resolutions to be discussed by the EGM

Bank Zachodni WBK S.A. announces the contents of the draft resolutions to be discussed by the EGM on 8 December, 2005:

re: item 5 of the agenda

Resolution no. ....  
Re: amendments to Bank's Statutes  
§ 1

Pursuant to article 430 of the Code of Commercial Companies, the Extraordinary General Meeting of Shareholders introduces the following changes to the Bank's Statutes:

1. §7 clause 1 item 4 adopts the following reading:  
"4) granting and confirming bank guarantees as well as opening and confirming letters of credit,"
2. § 7 clause 1 item 7 adopts the following reading:  
"7) granting cash advances,"
3. § 7 clause 1 item 13 adopts the following reading::  
"13) providing agency services in international funds transfers and settlements in international trade,"
4. § 7 clause 2 item 7a) adopts the following reading:  
"7a) operating brokerage activities and agency in operating brokerage activities, operating securities accounts and agency in selling units and investment certificates of investment funds,"
5. § 7 clause 2 item 11 adopts the following reading:  
"11) agency in selling insurance, lease, factoring, forfeiting and franchising products",
6. § 24 clause 2 adopts the following reading:  
"2. Purchase or disposal of real estate, perpetual usufruct rights or a share in real estate does not require a resolution of the General Shareholders' Meeting.",
7. § 24 clause 3 in the following reading is hereby added:  
"3. The General Meeting resolution on the decision not to discuss an item put on the agenda at the request of shareholders can be passed by 75% majority of votes, prior to an approval of all shareholders who tabled the motion.",
8. § 25 clause 2 adopts the following reading:  
"2. At least two of the Supervisory Board's members should be independent members, including an independent chairman of audit committee. The independent members of the Supervisory Board should be free from any connections with the company and shareholders

or employees, which could significantly impact the capacity of the independent member to take objective decisions.”

9. § 25 clause 4 adopts the following reading:

“4. Without the consent of the majority of independent members of the Supervisory Board, the resolutions cannot be adopted with regard to the issues referred to in:

1) § 32 point 4 and 5 of the Statutes, if the agreement with the entity connected with the Bank has to be concluded, the member of the Bank’s Supervisory Board or the Bank’s Management Board and the entities connected with them,

2) §32 point 7 and 10 of the Statutes.”.

## § 2

The introduction of the amendments to the Statutes in the scope defined in §1 requires the approval of the Banking Supervision Commission.

## § 3

The resolution comes into force as of the day of the registration of the amendments to the Statutes by relevant registration court.

re: item 5 of the agenda

Resolution no...  
Re. amendments to the Bank’s Statutes

## § 1

Pursuant to article 430 of the Code of Commercial Companies, the Extraordinary General Meeting of Shareholders introduces the following changes to the Bank’s Statutes:

1. §12 adopts the following reading:

“§12. Shares can be redeemed, following the shareholder’s approval, by way of their purchase by the Company (voluntary redemption).”,

2. § 13 adopts the following reading:

“§ 13. 1. The Company can purchase the shares it issued with a view to redeeming them not earlier, however, than after the GM has passed a resolution approving this redemption.

2. Resolution referred to in item 1 should define the legal basis for the redemption, the minimum amount of the remuneration that the shareholder of the redeemed shares is entitled to or rationale behind redeeming the shares without remuneration, the way of reducing the share capital and the source of financing the redemption, maximum number of shares that the Company can purchase for redemption, the maximum total purchase price and the timeframe when the shares should be purchased.”,

3. § 14 adopts the following reading:

“§14. The Company’s Management Board announces the information about purchasing shares for redemption not later than within 30 days after the date when the shares are to be purchased as stipulated in the resolution referred to in § 13, convening at the same time, the general meeting of shareholders to pass a resolution on the redemption of the purchased shares and reduction in the share capital.”,

4. § 15 adopts the following reading:

“§15. If the Company does not conclude any agreement on the purchase of shares for redemption within the timeframe specified in the resolution referred to in §13, the Management Board shall announce the ineffective expiration of the deadline within 30 days after this expiration.”,

5. § 16 adopts the following reading:

“§16. Voluntary redemption must not be carried out more often than once in an accounting year.”,

6. § 32 item 9 adopts the following reading:

“9) adopt the Management Board’s Regulations and other banking regulations as set forth in the Statutes and other sets of legal regulations and approve the Bank’s Organizational Regulations and the Policy on the internal control system,”,

7. §36a in the following reading is hereby added after §36:

§36a. 1. The decisions to incur obligations or transfer assets whose total value for one entity exceeds 5% of the Bank’s own funds are made by the Management Board, except as provided in section 2 and § 32 point 4 and 5.

2. The decisions referred to in section 1 may be taken by the Bank’s Committees or other persons duly authorised by the Management Board by way of a resolution.”,

1. §37a in the following reading is hereby added after §37:

“§37a. Bodies entitled to issue internal regulations:

- 1) as regards issues requiring a decision of the General Meeting – the General Meeting in a form of a resolution;
- 2) as regards issues requiring a decision of the Supervisory Board – the Supervisory Board in the form of a resolution;
- 3) as regards issues requiring a decision of the Management Board and/ or approvals of the Supervisory Board or the General Meeting – the Management Board in the form of a resolution, provided however, that the required approval has been obtained.
- 4) as regards issues requiring the decision of the Management Board but not requiring an approval of another body – the Management Board in the form of a resolution,
- 5) as regards issues important for the Bank, which go beyond the scope of the operations of an individual division – the President of the Management Board in the form of an ordinance;
- 6) as regards operations of the reporting divisions – the Management Board member in the form of an ordinance;

- 7) as regards issues specified in the sets of regulations referred to in points 4-6 above – the Bank Director in the form of an ordinance;
- 8) as regards issues referred to in the Management Board resolution re. Establishment of a committee – the committee chairman in the form of an ordinance”,

9. §38 clause 2 adopts the following reading:

“2. In exceptional circumstances, the Management Board meetings can be held without the need to gather all the Management Board members in one location, but using telecommunication and audiovisual equipment to ensure concurrent communication of all individuals attending the meeting. The rules underlying the organization of meetings are defined in the Regulations of the Management Board.”,

10. §41 adopts the following reading:

“§41. 1. The Bank’s basic organizational structure is as follows:

1) the Business Support Centre – acting as the head office;

The following units operate within the Business Support Centre:

- a) divisions,
- b) areas,
- c) centers,
- d) departments,
- e) offices,
- f) stand-alone teams,

2) Branches.

2. The detailed organizational structure of the Bank is outlined in the Bank’s Organizational Regulations adopted by the Management Board and approved by the Supervisory Board and the related resolutions issued by the Bank’s Management Board.

3. There are also Committees established by the Management Board operating in the Bank

## § 2

The introduction of the amendments to the Statutes in the scope defined in §1 item 2, 3, 4, 6, 7, 8, 9 and 10 requires the approval of the Banking Supervision Commission.

## § 3

The resolution comes into force as of the day of the registration of the amendments to the Statutes by relevant registration court.

Re: item 6 of the agenda

Resolution no. ....

Re. Adoption of a consolidated text of the Bank’s Statutes

§1

Pursuant to art. 430 of the Code of Commercial Companies, the Extraordinary General Meeting of Shareholders hereby decides to adopt the consolidated text in the reading specified below:

Statutes of Bank Zachodni WBK S.A.

I. General Provisions

§ 1.

The name of the Bank is “Bank Zachodni WBK Spółka Akcyjna”.

§ 2.

The founder of the Bank is the State Treasury.

§ 3.

The Bank has its registered seat in Wrocław.

§ 4.

The Bank operates in the territory of the Republic of Poland and abroad.

§ 5.

The Bank can establish branches and other units in Poland and abroad.

§ 6.

Provisions of the Commercial Companies Act and the Banking Law apply to all matters not regulated herein.

II. Scope of Business

§ 7.

The scope of the Bank’s business includes:

1. The following banking operations:

- 1) accepting money deposits payable on demand or at a due date as well as operating accounts for these deposits, including accepting and depositing cash in domestic and foreign banks;

- 2) operating other bank accounts,
  - 3) granting loans,
  - 4) granting and confirming bank guarantees as well as opening and confirming letters of credit,
  - 5) issuing banking securities,
  - 6) performance of financial settlements,
  - 6a) issue of electronic money instrument,
  - 7) granting cash advances,
  - 8) concluding check and B/E transactions,
  - 9) issuing payment cards and processing card operations,
  - 10) performing term financial transactions,
  - 11) trading in receivables,
  - 12) safekeeping of objects and securities as well as providing access to safe deposit boxes,
  - 13) providing agency services in international funds transfers and settlements in international trade,
  - 14) granting and confirming guarantees,
  - 15) performing operations related to the issue of securities,
  - 16) acting as the representative of bond holders.
  - 17) purchase and sale of fx values
2. Other operations consisting in:
- 1) taking up or acquiring shares and units and/or rights attached to shares of another corporate entity and contributions to limited partnerships or limited joint stock partnerships, or units and investment certificates in investment funds and making contributions to limited liability companies within the limits specified by the Banking Law act,
  - 2) raising liabilities related to the issue of securities,
  - 3) trading in securities in the Bank's own account or at the request of third parties,
  - 4) performing swaps of debts into components of the debtor's assets,
  - 5) acquiring and disposing of real estates and debts secured with mortgage,
  - 6) providing consulting and advisory services in relation to financial matters,
  - 6a) providing certification services in accordance with the electronic signature regulations, excluding qualified certificates,
  - 7) providing other financial services including:
    - a) operating brokerage activities and agency in operating brokerage activities, operating securities accounts and agency in selling units and investment certificates of investment funds,
    - b) providing agency and co-operation in obtaining loans and advances,
    - c) performing collection activities on the basis of documents certifying the existence of cash receivables,
    - d) concluding and executing agreements with businesses, including foreign ones, on agency in lodgments to bank accounts,
    - e) financial and operational participation in international projects and undertakings,
    - f) performing fiduciary activities,
    - g) providing leasing, factoring, forfeiting, franchising services as well as stand-by and firm commitment underwriting,
    - h) trading in transferable property rights from securities and in transferable property rights, the price of which directly or indirectly depends on the price

- of securities (derivatives) – in the Bank’s account or at the request of third parties,
- i) performing activities, as requested by the Minister of Treasury and set forth in the Act of 30/08/1996 on commercialization and privatization of state owned enterprises,
  - j) accepting the State Treasury shares for management.
- 8) Providing sales-related services for open pension funds,
  - 9) Performing the function of a custodian as specified in regulations on organization and functioning of pension funds,
  - 10) Performing the function of a custodian as specified in regulations on organization and functioning of investment funds,
  - 11) agency in selling insurance, lease, factoring, forfeiting and franchising products,
  - 12) accepting and transferring sale and purchase orders with regard to:
    - a) marketable securities,
    - b) money market instruments other than securities,
    - c) stakes other than securities in collective investment institutions,
    - d) futures contracts, forward interest rate contracts, equity swaps, interest rate swaps, F/X swaps other than securities
    - e) options of any financial instruments listed in letters a)-d), interest rate or F/X options or options for those options other than securities,
3. The Bank can also perform, upon the request of other banks, the operations referred to in Sections 1 and 2, as long as these operations fall within the scope of the mandating bank’s activities.
  4. In the course of its operations, the Bank co-operates with domestic, foreign and international banks and financial institutions.
  5. The Bank provides services in the area of cash transport.

#### § 8.

The Bank may establish or join clearing houses organized under the Commercial Companies law, for the purpose of exchanging payment orders and making mutual settlements resulting from such orders.

#### § 9.

If, under any special provision, the Bank is required to obtain separate permits to conduct any of the operations listed in § 7 hereinabove, such operations may only be performed only after such permit has been obtained.

### III. The Bank’s share capital

#### § 10.

The share capital of the Bank amounts to PLN 729.602.840 (seven hundred twenty nine million six hundred and two thousand eight hundred and forty zloty) and is divided into 72,960,284 (seventy two million nine hundred and sixty thousand two hundred and eighty four) bearer shares of the nominal value of PLN 10 (ten zloty) each, including:

- 1) 5,120,000 (five million one hundred and twenty thousand) series A ordinary bearer shares,
- 2) 724,073 (seven hundred and twenty four thousand and seventy three) series B ordinary bearer shares,
- 3) 22,155,927 (twenty two million one hundred and fifty five thousand nine hundred and twenty seven) series C ordinary bearer shares,

- 4) 1,470,589 (one million four hundred and seventy thousand five hundred and eighty nine) series D ordinary bearer shares,
- 5) 980,393 (nine hundred and eighty thousand three hundred and ninety three) series E ordinary bearer shares,
- 6) 2,500,000 (two million and five hundred) series F ordinary bearer shares,
- 7) 40,009,302 (forty million nine thousand three hundred and two) series G ordinary bearer shares.

§ 11.

Bearer shares are shares admitted to public trading.

§12.

Shares can be redeemed, following the shareholder's approval, by way of their purchase by the Company (voluntary redemption).

§ 13.

1. The Company can purchase the shares it issued with a view to redeeming them not earlier, however, than after the GM has passed a resolution approving this redemption.
2. Resolution referred to in item 1 should define the legal basis for the redemption, the minimum amount of the remuneration that the shareholder of the redeemed shares is entitled to or rationale behind redeeming the shares without remuneration, the way of reducing the share capital and the source of financing the redemption, maximum number of shares that the Company can purchase for redemption, the maximum total purchase price and the timeframe when the shares should be purchased.

§ 14.

The Company's Management Board announces the information about purchasing shares for redemption not later than within 30 days after the date when the shares are to be purchased as stipulated in the resolution referred to in § 13, convening at the same time, the general meeting of shareholders to pass a resolution on the redemption of the purchased shares and reduction in the share capital.

§ 15.

If the Company does not conclude any agreement on the purchase of shares for redemption within the timeframe specified in the resolution referred to in §13, the Management Board shall announce the ineffective expiration of the deadline within 30 days after this expiration.

§ 16.

Voluntary redemption must not be carried out more often than once in an accounting year.

§ 17.

The Bank can issue convertible bonds.

#### IV. The Authorities of the Bank

§ 18.

The authorities of the Bank are:

1. General Meeting of Shareholders;
2. Supervisory Board;
3. Management Board.



## V. General Meetings of Shareholders

### § 19.

1. General Meetings may be either ordinary or extraordinary.
2. The Ordinary General Meeting should be held annually, not later than by the end of June every year.
3. The Extraordinary General Meeting is convened in the circumstances specified in the Commercial Companies Code.
4. General Meetings are held at the Bank's registered seat or in Warsaw.

### § 20.

1. The Ordinary General Meeting is convened by the Management Board.
2. The Supervisory Board can convene the Ordinary or Extraordinary General Meeting of Shareholders in the circumstances specified in the Commercial Companies code and when the Management Board fails to convene it within two weeks from the date of submitting such a request by shareholders who represent at least one tenth of the share capital.

### § 21.

The draft resolutions and other important materials proposed to be adopted by the AGM should include the rationale and the opinion of the Supervisory Board, except for the issues related exclusively to the Supervisory Board.

### § 22.

Each share entitles to one vote.

### § 23.

Chairman or Vice Chairman of the Supervisory Board opens each General Shareholders' Meeting and conducts an election of the Chairman of the Meeting. If none of the above is available to open the General Shareholders Meeting, the Meeting shall be opened by a member of the Supervisory Board.

### § 24.

1. The General Shareholders' Meeting adopts resolutions on matters solely within their discretions, arising from the Commercial Companies code regulations, banking law and Statutes.
2. Purchase or disposal of real estate, perpetual usufruct rights or a share in real estate does not require a resolution of the General Shareholders' Meeting.
3. The General Meeting resolution on the decision not to discuss an item put on the agenda at the request of shareholders can be passed by 75% majority of votes, prior to an approval of all shareholders who tabled the motion.

### § 24.<sup>1</sup>

In a given financial year, the entity acting as a certified auditor of the financial report issued by the Bank or by its subsidiaries for the current year, discussed in separate regulations, cannot act as the auditor responsible for special issues.

## VI. Supervisory Board

§ 25.

1. The Supervisory Board consists of at least 5 (five) members appointed for a joint three year term of office. Members and Chairman of the Supervisory Board are appointed and recalled by the General Shareholders' Meeting. The Management Board informs the Banking Supervision Commission about the composition of the Supervisory Board. At least half of the Supervisory Board's members, including its Chairman, should hold Polish citizenship.
2. At least two of the Supervisory Board's members should be independent members, including an independent chairman of audit committee. The independent members of the Supervisory Board should be free from any connections with the company and shareholders or employees, which could significantly impact the capacity of the independent member to take objective decisions.
3. The Supervisory Board's independent member, referred to in sec. 2, cannot be specifically the person:
  - 1) who was the member of the Bank's Management Board over the period of last 3 years,
  - 2) who was the chartered auditor or employee of the entity authorized to examine the Bank's financial reports over the period of last 3 years,
  - 3) who, directly or indirectly, receives from the Bank the remuneration different from the one arising from the function of the Supervisory Board member, which would have significant impact on taking independent decisions,
  - 4) who holds, directly or indirectly, more than 1% of the Bank's shares
  - 5) who is a next of kin to the members of the Supervisory Board and the Management Board and also to the persons referred to in points 1-4, where the next of kin shall mean a spouse, own child or an adopted child under 18, family member or other person who is in the same household with the member of the Supervisory Board.
4. Without the consent of the majority of independent members of the Supervisory Board, the resolutions cannot be adopted with regard to the issues referred to in:
  - 1) § 32 point 4 and 5 of the Statutes, if the agreement with the entity connected with the Bank has to be concluded, the member of the Bank's Supervisory Board or the Bank's Management Board and the entities connected with them,
  - 2) §32 point 7 and 10 of the Statutes.

§ 26.

The Supervisory Board appoints Vice Chairman of the Board and may appoint a Secretary of the Board from amongst its members.

§ 27.

1. The Supervisory Board members can perform their duties in person only.
2. The remuneration of the Supervisory Board members is set by the General Meeting of Shareholders.

§28.

The Supervisory Board operates pursuant to the terms of reference it adopted. The terms of reference of the Supervisory Board specify its organization and manner of operations.

§ 29.

1. Meetings of the Supervisory Board are convened by Chairman or Vice Chairman of the Supervisory Board on their own initiative, upon a motion of the Management Board or at the request of a member of the Supervisory Board.
2. Meetings of the Supervisory Board may also be held without the need of gathering all members in one place by using telecommunications or audio-visual media that enable simultaneous communication of all the meeting attendees. The rules of organizing meetings according to this procedure are set out in the Supervisory Board Regulations.

#### § 30

1. Resolutions of the Supervisory Board are adopted by an absolute majority of votes of the Board members attending the meeting. In the event of a parity of votes, the Chairman of the Supervisory Board has a casting vote.
2. If necessary, resolutions of the Supervisory Board may be adopted by way of a written procedure. Resolutions adopted pursuant to the written procedure are presented for approval to all members of the Supervisory Board, and become effective once they have been signed by at least half of the Supervisory Board members, including its Chairman.
3. Members of the Supervisory Board may participate in passing resolutions by means of a written proxy vote through another member of the Supervisory Board. A written vote may not be cast in the case of matters introduced to the agenda during a Supervisory Board meeting. The rules of voting by means of this procedure are determined by the Supervisory Board Regulations.

#### § 31.

The Supervisory Board expresses its opinion on all motions and requests that require a resolution of the General Shareholders' Meeting, except for matters related exclusively to the Supervisory Board.

#### § 32.

The Supervisory Board exercises on-going supervision over the Bank's activities. In addition to the statutory rights and responsibilities and those set forth in the Bank's Statutes, the Supervisory Board has the discretions to:

- 1) examine the financial statements in terms of their compliance with books, documents and current status;
- 2) approve annual and long-term development plans for the Bank and financial plans for its operations prepared by the Management Board;
- 3) approve motions of the Bank's Management Board concerning the establishment and liquidation of Bank's branches abroad;
- 4) approve equity investments by the Bank, if
  - the value of such investment exceeds a PLN equivalent of EUR 4,000,000, where "the investment value" means the purchase price or sales price of a particular asset, or
  - the value of a such investment exceeds EUR 400,000k and at the same time, if as a result of such investment the Bank's shareholding in another entity is equal to 20% of votes or exceeds 20% of votes or drops below the level of 20% of votes at the AGM or the Meeting of Partners, while "the value of investment" shall mean the purchase price or the sales price of a given asset, except for agreements on underwriting securities issues, if the total exposure of the Bank arising from such agreement does not exceed one tenth (1/10) of the total equity of the Bank;

An equity investment is understood, in particular, as joining by the Bank and exiting from joint undertakings, i.e. incorporating and dissolving commercial law companies, joining and exiting commercial law companies, including contributions made to limited partnerships or limited joint stock partnerships. Purchase of shares and interests with a guarantee of their repurchase by another entity is not an equity investment.

- 5) approve acquisition, disposal or encumbrance of fixed assets (as defined in the Accounting Act), in particular any real estate, if the value of such fixed asset exceeds a PLN equivalent of EURO 4,000,000 except for seizing a real estate by the Bank as a mortgage creditor, as a result of an ineffective auction conducted under execution proceedings, or as a result of repossessing another fixed asset or securities by the Bank as the creditor secured by a registered pledge in line with the regulations on registered pledges and pledge register, or a creditor secured by repossession of the security in line with the regulations of the Banking Law Act;
- 6) examine the Management Board's reports and its motions regarding the profit distribution or coverage of losses;
- 7) determine remuneration of the Management Board members;
- 8) conclude contracts on behalf of the Bank, falling within the authority of the Supervisory Board, including employment contracts or management contracts with Members of the Management Board, where the Supervisory Board may appoint its Chairperson or another Supervisory Board member to submit a declaration of will in this respect,
- 9) adopt the Management Board's Regulations and other banking regulations as set forth in the Statutes and other sets of legal regulations and approve the Bank's Organizational Regulations and the Policy on the internal control system;
- 10) appoint a chartered auditor to audit the financial statements of the Bank;
- 11) apply to the Banking Supervision Commission for a consent to appoint two members of the Management Board of the Bank, including the President;
- 12) informing the Banking Supervision Commission on other Management Board members and, each time, on changes to the Management Board composition;
- 13) appoint and recall President of the Management Board and other members of the Management Board;
- 14) suspend Management Board members from office, for important reasons, and second members of the Supervisory Board to temporarily perform duties of those Management Board members who cannot perform their roles,
- 15) present the concise assessment of the Bank's standing to the AGM on an annual basis.

#### § 33.

The Supervisory Board is entitled to make recommendations to the Management Board of the Bank, in particular, these regarding financial and organizational restructuring of the Bank, and concluding long-term agreements binding upon the Bank by the Management Board.

### VII. Management Board

#### § 34.

The Bank's Management Board consists of at least three members, including President. Management Board members may perform functions of the first vice-president and vice-presidents of the Management Board. Appointment to these functions is made by the Supervisory Board [at least half of the Management Board members must be of Polish citizenship].

§ 35.

The Supervisory Board appoints and recalls President of the Management Board and the remaining members of the Management Board.

§ 36.

1. The Management Board's term of office is three years.
2. The Management Board members are appointed for a joint term of office.

§ 36a

1. The decisions to incur obligations or transfer assets whose total value for one entity exceeds 5% of the Bank's own funds are made by the Management Board, except as provided in section 2 and § 32 point 4 and 5.

2. The decisions referred to in section 1 may be taken by the Bank's Committees or other persons duly authorised by the Management Board by way of a resolution.

§ 37.

The Management Board acts on the basis of the Management Board Regulations, adopted by the Supervisory Board. The Management Board Regulations specify the issues that need to be resolved by the Management Board acting collectively.

§ 37a.

Bodies entitled to issue internal regulations:

- 1) as regards issues requiring a decision of the General Meeting – the General Meeting in a form of a resolution;
- 2) as regards issues requiring a decision of the Supervisory Board – the Supervisory Board in the form of a resolution;
- 3) as regards issues requiring a decision of the Management Board and/ or approvals of the Supervisory Board or the General Meeting – the Management Board in the form of a resolution, provided however, that the required approval has been obtained.
- 4) as regards issues requiring the decision of the Management Board but not requiring an approval of another body – the Management Board in the form of a resolution,
- 5) as regards issues important for the Bank, which go beyond the scope of the operations of an individual division – the President of the Management Board in the form of an ordinance;
- 6) as regards operations of the reporting divisions – the Management Board member in the form of an ordinance;
- 7) as regards issues specified in the sets of regulations referred to in points 2-4 above – the Bank Director in the form of an ordinance;
- 8) as regards issues referred to in the Management Board resolution re. establishment of a committee – the committee chairman in the form of an ordinance.

§ 38.

1. If necessary, resolutions of the Management Board may be adopted by way of a written procedure. Resolutions adopted pursuant to the written procedure are presented for approval to all members of the Management Board, and become effective once they have been signed by at least a half of the Board members, including its President.
2. In exceptional circumstances, the Management Board meetings can be held without the need to gather all the Management Board members in one location, but using telecommunication and audiovisual equipment to ensure concurrent communication of all individuals attending the meeting. The rules underlying the organization of meetings are defined in the Regulations of the Management Board.
3. Members of the Management Board may participate in passing resolutions by means of a written proxy vote through another member of the Management Board. A written vote may not be cast in the case of matters introduced to the agenda during a Management Board meeting. The rules of voting by means of this procedure are determined by the Management Board Regulations.

§ 39.

The Management Board manages the Bank and represents it. All matters that are not within the sole competence of other authorities of the Bank on the basis of provisions of law or these Statutes, shall remain within the Management Board's scope of responsibilities.

§ 40.

The following individuals are authorized to make declarations of will on behalf of the Bank:

- a) President of the Management Board acting severally,
- b) two members of the Management Board acting jointly, or a member of the Management Board acting jointly with a commercial representative, or two commercial representatives acting jointly.

Authorized representatives to act severally or jointly with any of the persons listed in letter b. or with another authorized representative can be appointed.

## VIII. Organization of the Bank

§ 41.

1. The Bank's basic organizational structure is as follows:
  - 1) the Business Support Centre – acting as the head office;  
The following units operate within the Business Support Centre:
    - a) divisions,
    - b) areas,
    - c) centers,
    - d) departments,
    - e) offices,
    - f) stand-alone teams,
  - 2) Branches.
2. The detailed organizational structure of the Bank is outlined in the Bank's Organizational Regulations adopted by the Management Board and approved by the Supervisory Board and the related resolutions issued by the Bank's Management Board.

3. There are also Committees established by the Management Board operating in the Bank.

§ 42.

1. The internal audit operates in the Bank. Its duty is to examine legal compliance and correctness of the Bank activities, as well as, correctness and fairness of information and reports delivered by the Bank.
2. The policy of internal audit operations is specified by the Bank's Management and Supervisory Boards by way of a joint resolution passed with a 2/3 majority of votes in the presence of at least half of the members of both bodies.

IX. Equity and funds of the Bank

§ 43.

The Bank has equity adequate to the scale of its operations.

§ 44.

The equity of the Bank consists of:

1. share capital (Tier 1 capital)
2. supplementary funds
3. items reducing the Bank's equity

§ 45.

1. The supplementary capital is raised from:
  - a) share premium
  - b) allocations from after-tax profit.
2. At least (8%) eight per cent of the Bank's after-tax profit should be allocated to the supplementary capital as the annual transfers from the after-tax profit until the value of the supplementary capital equals at least one third of the value of the Bank's share capital. The amount is set by the General Shareholders' Meeting.
3. The supplementary capital may also be fed with funds coming from other sources, if permitted by law.
4. The supplementary capital is earmarked for covering the Bank's balance sheet losses. The decision on using the supplementary capital is taken by the General Shareholders' Meeting.

§ 46.

1. The reserve capital is created out of allocations from the after-tax profit, in an amount resolved by the General Shareholders' Meeting.
2. The reserve capital is earmarked for covering balance sheet losses, should they exceed the supplementary capital. Decisions on using the reserve capital are taken by the General Shareholders' Meeting.

§ 47.

1. The general risk fund for non-identified risks of banking operations is raised from after-tax profit allocations in the amount resolved by the General Shareholders' Meeting.
2. The general risk fund is earmarked for the coverage of costs and losses related to non-identified risks of banking operations for which the Bank has not raised a separate provision.

§ 48.

The Banking Law and other detailed regulations specify the principles of incorporating other items into the Bank's own additional funds.

§ 49.

1. The Bank raises and releases special funds pursuant to a resolution of the General Shareholders' Meeting, unless the obligation to raise special funds is stipulated by law.
2. Regulations of special funds are adopted by the Supervisory Board .

IX. Financial Management

§ 50.

The Bank conducts its financial management based on financial plans approved by the Supervisory Board. Detailed principles of the Bank's financial management are set out by the Management Board.

§ 51.

1. The Bank may allocate its after-tax profit in the amounts determined by the General Shareholders' Meeting to:
  - a) supplementary capital
  - b) reserve capital
  - c) dividends to shareholders
  - d) special funds
  - e) general risk fund
  - f) other purposes.
2. The General Shareholders Meeting can allocate the dividend or part thereof to pay for shares to be taken up by the existing shareholders in the raised share capital of the Bank.
3. The dividend may be paid in the form of cash or securities. The dividend to the State Treasury, as the shareholder, shall be paid in cash.
4. The Bank's Management Board is authorized to make an advance payment of dividend anticipated for the end of the accounting year, provided the Bank has sufficient funds for such a payment. The disbursement of such an advance payment requires approval of the Supervisory Board.

§ 52.

The Bank runs its accountancy in accordance with applicable regulations.

§ 53.

Annual financial statements should be produced not later than within three months after the end of each accounting year. The accounting year is a calendar year.

X. Final Provisions

§ 54.

All announcements required by law are released by the Bank in "Monitor Sądowy i Gospodarczy" (Judicial and Business Journal).



§ 2

Resolution becomes effective as of the day of its adoption.

re: item 7 of the agenda

Resolution no...

Re: the change in the Regulations of General Meetings of Shareholders of Bank Zachodni WBK S.A.

Acting pursuant to art. 395 §5 of the Commercial Companies Code, the following shall be hereby resolved:

§ 1

1. The Regulations of General Meetings of Shareholders of Bank Zachodni WBK S.A., introduced by the resolution No. 15 of 10.04.2003 shall be amended as follows:

1) §2 shall have the following wording:

“§2

1. “At least 7 days before the GM, Shareholders holding shares admitted to public trading should file with the Bank, registered certificates of deposit, issued by the entity maintaining securities accounts, which confirm the shareholder’s entitlement to participate in the meeting, in accordance with the Act on Trading in Financial Instruments .
2. The GM shall be attended by the Supervisory Board members and the Management Board members. Absence of a Supervisory Board or a Management Board member needs to be excused during the GM.
3. A Chartered Auditor shall attend the General Meeting in the part related to the Bank’s financial affairs.
4. The Management Board shall ensure the participation of an independent expert in the banking and commercial law in each GM.
5. Mass media representatives may attend the GM subject to approval by the shareholders.”

2) §10 sec. 2 and 3 shall have the following wording:

”2. The resolution on abstaining from discussing an agenda item is passed – following a justified detailed motion – when supported by material reasons.

3. The GM can pass a resolution on abstaining from discussing an agenda item at the shareholders’ request with a 75% majority vote and after consent from all the present shareholders who submitted the motion for consideration.”

3) §24 sec. 2 shall have the following wording:

“2. The minutes must be prepared in compliance with relevant provisions of the Commercial Companies Code and the Banking Law.”.

2. The remaining part of the Regulations shall remain unchanged.

## § 2

The Resolution becomes effective as of the day the next General Meeting of the Bank's Shareholders is commenced.

Legal basis: §39 clause 1, point 3 of the Ordinance of the Minister of Finance, dated 19 October 2005 re: current and periodical information submitted by the issuers of securities