



**ORDINARY GENERAL MEETING OF KOMERČNÍ BANKA, A. S., ON 29 APRIL 2008**  
**Draft resolutions**

**Resolution No. 1**

The general meeting approves the Rules of Procedure and of Voting of the general meeting of Komerční banka, a. s., in accordance with the proposal submitted by the Board of Directors.

**Resolution No. 2**

The general meeting elects:

Mr. Pavel Henzl as chair of the General Meeting,  
Mr. Karel Kohout as the minutes clerk,  
Mr. Jiří Matyášek and Mr. Jaroslav Hoch as the minutes verifiers, and  
Mr. Antonín Králík and Mr. Václav Novotný as the scrutineers.

**Resolution No. 3**

The general meeting approves the Board of Directors' report regarding the Bank's business activities and the state of its assets for the year 2007 submitted and presented by the Board of Directors.

**Resolution No. 4**

The general meeting approves the Annual Financial Statements of Komerční banka, a. s., for the year 2007 as stated in the 2007 Annual Report of Komerční banka, a. s.

**Resolution No. 5**

The general meeting decided to distribute the profit of Komerční banka, a. s., for the year 2007 in the total amount of CZK 10,170,468,450.07 as follows:

Allocation to the Reserve Fund	CZK 508,523,422.50
Dividends	CZK 6,841,773,360.00
Retained earnings	CZK 2,820,171,667.57

The amount of the dividend per share amounts to CZK 180 before taxation. The dividend can be claimed by each shareholder owning a share of Komerční banka, a. s., with ISIN CZ0008019106 as of 29 May 2008. The dividend shall be due on 30 June 2008.

The general meeting decided that the part of the profit for the year 2007 reserved for the dividend corresponding to the treasury stock held by Komerční banka, a. s., and by the companies controlled by Komerční banka, a. s., would be transferred to the account of retained earnings from previous years. The amount of this part of the profit will be determined based on the number of the treasury stock held by Komerční banka, a. s., and by the companies controlled by Komerční banka, a. s., on the record date; that is, on 29 May 2008.

**Resolution No. 6**

The general meeting approves the Consolidated Financial Statements of Komerční banka, a. s., for the year 2007 as stated in the 2007 Annual Report of Komerční banka, a. s.

**Resolution No. 7**

The general meeting elects Mr. Bořivoj Kačena, birth No. 430224/105, address Vavákova 1486/4A, Praha 4 -Kunratice, postal code 148 00, as a member of the Supervisory Board.

**Resolution No. 8**

The general meeting approves the Supervisory Board's proposal for the discretionary part of the remuneration (bonus) of the members of the Board of Directors for 2007 as follows:

Name	Bonus (gross amount under the applicable tax legislation)
Laurent Goutard	CZK 3,058,522
Philippe Rucheton	CZK 1,648,825
Didier Colin	CZK 1,711,877
Peter Palečka	CZK 2,500,000
Jan Juchelka	CZK 2,000,000

### **Resolution No. 9**

The general meeting consents to the acquisition of the Bank's ordinary treasury stock under the following conditions:

- The maximum amount of shares that can be held by the Bank at any specific moment shall be 3,800,985 pieces of ordinary shares.
- The share purchase value must be at least CZK 2,500 a piece and at most CZK 5,000 a piece.
- This resolution shall be valid for the term of 18 months.
- Shares may not be acquired by the Bank should such acquisition breach the conditions stipulated in S. 161a (1) (b) and (c) of the Commercial Code.
- For the term of validity hereof the Bank can buy and sell shares repeatedly without any further restrictions.

### **Resolution No. 10**

The general meeting decided to make to below amendments to the Articles of Association:

The current wording of **S. 6 Dividend Payment** (5) is amended as follows:

#### **Section 6 Dividend Payment**

*(5) Where dividends are remitted to legal entities by a non-cash transfer, the Bank shall remit the dividends no later than within five working days of receiving the required documents, however, on the dividend due date at the earliest. The required documents shall be as follows: a request for the dividend payment containing the relevant banking details and an updated and officially verified statement from the Commercial Register (or a similar document evidencing registration with the relevant state authority). The signature of the shareholder's authorized body (or its representative) subscribed at the request for the dividend payment must be attested. In addition, if a shareholder is represented by another legal entity or natural person, such representative shall be obliged to deliver officially verified powers of attorney from all entities so represented with the exception of the security administrator entered in the central record of booked shares, and its updated and officially verified excerpt from the Commercial Register. If the excerpt from the issue's register only states the information about the share's administrator, the shareholder shall be obligated to submit an updated property account statement of the security's owner. The Bank shall not assume responsibility for the accuracy and completeness of the data stated by the shareholder.*

The current wording of **S. 12 Powers of the Supervisory Board** (1) is modified as stated below and (2) is amended by the inclusion of (k), (n) – (p), (r) and (s) as follows:

#### **Section 12 Powers of the Supervisory Board**

*(1) The Supervisory Board shall oversee the exercise by the Board of Directors of their powers and the carrying on of the business activities of the Bank. The Supervisory Board shall oversee the efficiency and effectivity of the management and check system of the Bank as a whole.*

*(2) The Supervisory Board shall, in particular:*

- k) *discuss the charter and the strategic and periodical plan of the activities of the internal audit;*
- n) *supervise the functionality and effectiveness of the management and check system and make an evaluation thereof at least once a year;*
- o) *regularly deliberate over matters relating to the Bank's strategic development;*
- p) *express itself on the Board of Directors' proposal to appoint or to remove Director of Internal Audit;*
- r) *discuss the focus and planning of the activities of the internal audit, evaluate the activities of the internal audit and compliance;*
- s) *discuss the report on the internal audit activities.*

The powers of the Audit Committee stated in the current wording of **S. 16 Committees of the Supervisory Board** (5) (a), (b), (g), (h) and (i) are modified and completed as follows:

**Section 16**  
**Committees of the Supervisory Board**

(5) *The Audit Committee shall:*

- a) *make recommendations to the Supervisory Board about its position on the nomination for the appointment and withdrawal of Director of Internal Audit;*
- b) *discuss the charter and the strategic and periodical plan of the activities of the Internal Audit;*
- g) *check the check and management system of the Bank; this includes deliberations over the overall evaluation of the functionality and effectiveness of the management and check system;*
- h) *discuss the report on the internal audit activities;*
- i) *discuss the information of the significant shortcomings detected in the management and check system.*

The current wording of **S. 17 Board of Directors** (1) is amended as follows:

**Section 17**  
**Board of Directors**

*(1) The Board of Directors is an authorized body which manages the Bank's activities and acts in its name. The Board of Directors shall ensure business management, including proper maintenance of the accounting records of the Bank. The Board of Directors shall further ensure the creation and evaluation of the management and check system, be responsible for its continuous functioning and effectiveness, and create conditions for the independent and objective performance of compliance-related operations and of internal audit.*

The current wording of **S. 18** (1), (5), (6), (7) and (12) is amended as follows:

**Section 18**

*(1) The Board of Directors consists of six members, natural persons, who meet the conditions provided in legal regulations and who are elected by the absolute majority of all Supervisory Board members at recommendation of the Remuneration and Personnel Committee. The term of office of the members of the Board of Directors shall be four years.*

*(5) The Board of Directors shall elect from among its members Chairman of the Board of Directors. If no Chairman of the Board of Directors is elected, the Board of Directors shall authorise any of the members of the Board of Directors to hold the office of Chairman of the Board of Directors. The Chairman of the Board of Directors must be elected by the absolute majority of votes of all members of the Board of Directors.*

*(6) The Chairman of the Board of Directors may resign from his position of chairman by written notice delivered to the Board of Directors. The term of the Chairman shall terminate as of the date on which his resignation is discussed by the Board of Directors at its closest meeting, unless the written notice of resignation specifies a later date. The Board of Directors shall be authorized to withdraw its Chairman from his position by the absolute majority of votes of all members of the Board of Directors. Should the Chairman cease to be a member of the Board of Directors, his position of chairman of the Board of Directors is terminated at the same time.*

*(7) Meetings of the Board of Directors shall be regularly convened, at least 20 times a year, and presided over by its Chairman. If the Chairman is not present, the meeting shall be convened and presided over by a member of the Board*

of Directors authorized therefor by the Board of Directors. Any member of the Board of Directors may ask that the Board of Directors meeting be convened provided that such member gives reasons therefor. If the meeting is not convened within a period of five days from the delivery of the request to the Chairman of the Board of Directors, the said Board of Directors member shall be entitled to convene and preside the meeting himself.

(12) The Chairman or, in his absence, an authorized member of the Board of Directors may request that members of the Board of Directors vote in extrasessional voting procedure either in writing or by means of communication media on condition that all members of the Board of Directors consent to the use of this vote in advance. The extrasessional voting procedure can be used by the absent members of the Board of Directors if the Board of Directors meets in session, or by all members of the Board of Directors if the Board of Directors does not meet in session. All voting members of the Board of Directors are considered as present. If the Board of Directors does not meet in session and votes are cast by means of communication media, the voting shall be recorded in minutes.

The wording of S. **19 Powers of the Board of Directors** (1) (e), (f) and (j) – (za) is amended as follows:

**Section 19**  
**Powers of the Board of Directors**

(1) It is within the exclusive powers of the Board of Directors to:

- e) to decide to grant and revoke procuration;
- f) decide on the appointment, removal and remuneration of selected managers of the Bank;
- j) define and make a regular evaluation of the Bank's overall strategy including the setting of the principles and targets for its fulfillment and arranging the continued and effective operation of the internal check system;
- k) approve the Bank's annual plans and budgets as well as the strategic and annual plans of legal entities controlled by the Bank under the Banking Act;
- l) approve the choice of the external auditor;
- m) inform the Supervisory Board of the General Meeting day no later than within the period specified by the Commercial Code for a general meeting to be convened;
- n) decide on the issue of bonds of the Bank with the exception of decisions on the issue of bonds for which the decision of the General Meeting is required by the law;
- o) decide on an increase in the registered capital if so authorised by the General Meeting;
- p) enter into a collective agreement;
- q) decide on providing loans or guarantees to persons with a special relationship to the Bank pursuant to the Banking Act;
- r) approve the charter and the strategic and periodic plan of activities of the Internal Audit;
- s) approve the Annual Reports of the Bank;
- t) approve and regularly evaluate the security principles of the Bank including the security principles for information systems;
- u) decide on establishing other funds and on the rules governing creation and usage thereof;
- v) approve the report on relations among related entities within the intention of the Commercial Code;
- w) approve and regularly evaluate the Bank's structure;
- x) approve the principles of the personnel and remuneration policy;
- y) evaluate the overall functioning and effectivity of the management and check system at least once a year;
- z) approve and regularly evaluate the risk management strategy, the strategy relating to the capital and to capital adequacy and the information systems development strategy;
- za) approve and regularly evaluate the principles of the internal check system including principles aiming to prevent any possible conflict of interest and compliance-related principles.

S. **19** (2) (b) is further amended as follows:

(2) In addition to the above mentioned, the Board of Directors shall:

- b) ensure the proper maintenance of the Bank's accounting including the due administrative and accounting processes;

Section 21 **External Audit** (1) is amended by the inclusion of (d):

**External Audit**

### **Section 21**

*(1) The Bank shall be obliged to ensure that auditors primarily:*

- d) verify the information under S. 11a of the Banking Act to the extent provided by the regulation of the Czech National Bank.*

*in compliance with the generally binding legal regulations and with International Accounting Standards.*

The current wording of **S. 39 Disclosure and Publication Duty** is amended as follows:

### **Section 39 Disclosure and Publication Duty**

*If publication of certain data is required by the Commercial Code, Part Two, or by the Articles of Association, such data must be published both in the daily *Hospodářské noviny* and on the Bank's official notice board (marked as "Information for shareholders") in the registered office of the Bank. In addition, the notice of general meeting shall be published also in the Commercial Bulletin ("*Obchodní věstník*"). Should generally binding legal regulations require that some data be published in the Commercial Bulletin, the Bank shall release the said data therein.*

The current wording of **S. 43 Organisation of the Management and Check System** is amended as follows:

### **Section 43 Organisation of the Management and Check System**

*(1) The Management and Check System (hereinafter called the "MCS") shall include the prerequisites of the due administration and management of the Bank, the risk management and the internal check system. The MCS namely covers all activities of the Bank. The MCS includes all structural units of the Bank.*

*(2) The Board of Directors shall ensure the creation and evaluation of the MCS and be responsible for its continued functioning and effectiveness. The monitoring and evaluation of the MCS is made on all management levels and by the Internal Audit Unit and is part of everyday banking activities. The requirements with respect to the MCS shall be specified in the internal regulations of the Bank.*

**S. 44 Internal Audit** (1), (2), (3) (c), (d) and (h) and (4) is amended as follows :

### **Section 44 Internal Audit**

*(1) The Internal Audit has a special position within the Bank's structure. The Internal Audit is established by the Board of Directors. Internal Audit Director, organisationally subordinated to the Bank's Chief Executive Officer, is charged to carry out internal audit and removed by the Bank's Board of Directors based on the prior position of the Supervisory Board. The Internal Audit exercises its activity independently of the Bank's executive activities. The activity of the Internal Audit can only be performed upon request of and tasks to the Internal Audit can only be assigned by the following bodies of the Bank:*

- Chief Executive Officer and Chairman of the Board of Directors*
- Bank's Board of Directors*
- Supervisory Board and its Audit Committee*
- Director of Internal Audit*

*The Director of Internal Audit shall notify the internal audit findings, the proposed measures to rectify the problems and the elimination of the detected shortcomings to the Bank's Board of Directors, the Audit Committee, and the Supervisory Board. The Director of Internal Audit shall submit to the Board of Directors, the Audit Committee and the Supervisory Board at least once a year an overall evaluation of the functioning and effectiveness of the MCS and a report on the internal audit activities.*

*(2) The Internal Audit carries out an independent, objective, assuring, and consultancy activity aiming at adding value and at perfecting the process in the organisation. The Internal Audit helps the organisation to attain its goals by setting forth a systematic methodical approach to the assessment and enhancement of the effectivity of the risk management, of the management and check systems, and of the organisation's administration and management. This basic scope of the Internal Audit's activities is exercised by carrying out the following activities: audits, analysis and independent risk assessment, special projects, activities of consulting and examination, and monitoring and corrective actions tracking.*

*(3) The detailed extent of powers and the activities of the Internal Audit are governed by the Bank's Internal Audit Guidelines that shall be approved by the Bank's Board of Directors after a prior discussion by the Supervisory Board. The Internal Audit shall have the following powers to carry on its activity:*

- c) When carrying out its activity, the Internal Audit shall have access to all relevant documents of the Bank;*
- d) When carrying out their activity, auditors can make copies of all documents containing relevant information and can record the running of discussions;*
- h) If the findings might have a substantial negative impact on the Bank's financial situation, the Director of Internal Audit must initiate an extraordinary meeting of the Supervisory Board.*

*(4) Significant shortcomings of the MCS shall be notified to the Bank's Board of Directors, to the Audit Committee, and to the Supervisory Board.*