

**BRE BANK SA MANAGEMENT BOARD'S RATIONALE
FOR RESOLUTION OF XX ORDINARY GENERAL MEETING
CONCERNING APPROVAL OF THE REPORT OF THE MANAGEMENT BOARD
OF BRE BANK SA AND THE FINANCIAL STATEMENTS OF BRE BANK SA
FOR 2006
(RESOLUTION NO. 1)**

The General Meeting is required to pass Resolution No. 1 because the Bank has to comply with the mandatory regulations of Article 395.2.1) in connection with Article 393.1. of the Code of Commercial Partnerships and Companies. Article 395.2 provides as follows: "The following matters shall come before the ordinary general meeting:

- 1) examination and approval of the management board's report of company activities and the financial statements for the preceding financial year;
- 2) adoption of a resolution on the distribution of profit or covering loss;
- 3) granting a vote of acceptance to the members of a company's bodies to confirm the discharge of their duties."

Furthermore, passing the Resolution No. 1 by the General Meeting satisfies the requirements of § 11 letter a) of the By-laws of the Bank.

OPINION OF THE SUPERVISORY BOARD

In accordance with the wording of § 2 item 5 of the Rules of the Supervisory Board, having revised the draft of the resolution No. 1 of the XX Ordinary General Meeting, the Supervisory Board accepts its content and recommends to the XX Ordinary General Meeting adoption of this resolution.

**BRE BANK SA MANAGEMENT BOARD'S RATIONALE
FOR RESOLUTION OF XX ORDINARY GENERAL MEETING
CONCERNING DISTRIBUTION OF THE 2006 PROFIT
(RESOLUTION NO. 2)**

The General Meeting is required to pass Resolution No. 2 because the Bank has to comply with the mandatory regulations of Article 395.2.2) of the Code of Commercial Partnerships and Companies. Article 395.2 provides as follows: "The following matters shall come before the ordinary general meeting:

- 1) examination and approval of the management board's report of company activities and the financial statements for the preceding financial year;
- 2) adoption of a resolution on the distribution of profit or covering loss;
- 3) granting a vote of acceptance to members of company bodies to confirm the discharge of their duties."

Furthermore, passing the Resolution No. 2 by the General Meeting satisfies the requirements of § 11 letter b) of the By-laws of the Bank.

OPINION OF THE SUPERVISORY BOARD

In accordance with the wording of § 2 item 5 of the Rules of the Supervisory Board, having revised the draft of the resolution No. 2 of the XX Ordinary General Meeting, the Supervisory Board accepts its content and recommends to XX Ordinary General Meeting adoption of this resolution.

**BRE BANK SA MANAGEMENT BOARD'S RATIONALE
FOR RESOLUTIONS OF XX ORDINARY GENERAL MEETING
CONCERNING VOTE OF DISCHARGE OF DUTIES FOR MEMBERS OF THE
MANAGEMENT BOARD OF BRE BANK SA
(Resolutions No. 3-8)**

The General Meeting is required to pass Resolutions 3-8 because the Bank has to comply with the mandatory regulations of Article 395.2 3) in connection with Article 393 1) of the Code of Commercial Partnerships and Companies. Article 395.2 provides as follows: "The following matters shall come before the ordinary general meeting:

- 1) examination and approval of the management board's report of company activities and the financial statements for the preceding financial year;
- 2) adoption of a resolution on the distribution of profit or covering loss;
- 3) granting a vote of acceptance to members of company bodies to confirm the discharge of their duties."

Furthermore, passing the Resolutions 3-8 by the General Meeting satisfies the requirements of § 11 letter c) of the By-laws of the Bank.

OPINION OF THE SUPERVISORY BOARD

In accordance with the wording of § 2 item 5 of the Rules of the Supervisory Board, having revised the drafts of the resolutions no 3-8 of XX Ordinary General Meeting, the Supervisory Board accepts their content and recommends to XX Ordinary General Meeting adoption of these resolutions.

**BRE BANK SA MANAGEMENT BOARD'S RATIONALE
FOR RESOLUTION OF XX ORDINARY GENERAL MEETING
CONCERNING APPROVAL OF ELECTION OF A MEMBER OF THE
SUPERVISORY BOARD, ON THE BASIS OF § 19 SECTION 3 OF THE BY-LAWS
OF BRE BANK SA
(Resolution No. 9)**

Passing by the General Meeting of the Resolution No 9 is related to a resignation as of 13 October 2006 of Mrs. Renate Krümmer from the post of a Member of the Supervisory Board. In the result of the above as of 17 October 2006 the Supervisory Board, acting on the basis of § 19.3 of the Bank's By-laws, elected Mr. Achim Kassow to the Supervisory Board.

In accordance with the wording of § 19.3 of the Bank's By-laws election by the Supervisory Board of a new Supervisory Board's Member, replacing the Member whose mandate expired during the joint term of office, should be approved by the next General Meeting.

If the General Meeting refuses to approve the election of Mr. Achim Kassow, the General Meeting should elect another Member of the Supervisory Board in lieu of the person whose election was refused.

OPINION OF THE SUPERVISORY BOARD

In accordance with the wording of § 2 item 5 of the Rules of the Supervisory Board, having revised the draft of the resolution no 9 of XX Ordinary General Meeting, the Supervisory Board accepts its content and recommends to XX Ordinary General Meeting adoption of this resolution.

**BRE BANK SA MANAGEMENT BOARD'S RATIONALE
FOR RESOLUTIONS OF XX ORDINARY GENERAL MEETING
CONCERNING VOTE OF DISCHARGE OF DUTIES FOR MEMBERS OF THE
SUPERVISORY BOARD OF BRE BANK SA
(Resolutions No. 10-19)**

The General Meeting is required to pass Resolutions 10-19 because the Bank has to comply with the mandatory regulations of Article 395.2 3) in connection with Article 393 1) of the Code of Commercial Partnerships and Companies. Article 395.2 provides as follows: "The following matters shall come before the ordinary general meeting:

- 1) examination and approval of the management board's report of company activities and the financial statements for the preceding financial year;
- 2) adoption of a resolution on the distribution of profit or covering loss;
- 3) granting a vote of acceptance to members of company bodies to confirm the discharge of their duties."

Furthermore, passing the Resolutions 10-19 by the General Meeting satisfies the requirements of § 11 letter c) of the By-laws of the Bank.

OPINION OF THE SUPERVISORY BOARD

In accordance with the wording of § 2 item 5 of the Rules of the Supervisory Board, having revised the drafts of the resolutions no 10-19 of XX Ordinary General Meeting, the Supervisory Board accepts their content and recommends to XX Ordinary General Meeting adoption of these resolutions.

**BRE BANK SA MANAGEMENT BOARD'S RATIONALE
FOR RESOLUTION OF XX ORDINARY GENERAL MEETING
CONCERNING APPROVAL OF THE CONSOLIDATED FINANCIAL
STATEMENTS OF THE CAPITAL GROUP OF BRE BANK FOR 2006
(RESOLUTION NO. 20)**

Passing the Resolution No. 20 by the General Meeting stems out of Article 395.5 of the Code of Commercial Partnerships and Companies.

According to Article 395.5, "The ordinary general meeting may also examine and approve financial statements of the capital group within the meaning of the accounting provisions and address matters other than those listed in paragraph 2."

Given the fact that BRE Bank SA, as the parent company, and its subsidiaries constitute a capital group, passing the Resolution No. 20 by the General Meeting is fully justified.

OPINION OF THE SUPERVISORY BOARD

In accordance with the wording of § 2 item 5 of the Rules of the Supervisory Board, having revised the draft of the resolution No. 20 of the XX Ordinary General Meeting, the Supervisory Board accepts its content and recommends to XX Ordinary General Meeting adoption of this resolution.

**BRE BANK SA MANAGEMENT BOARD'S RATIONALE
FOR RESOLUTION OF XX ORDINARY GENERAL MEETING
CONCERNING AMENDMENT OF THE BY-LAWS OF BRE BANK SA
(Resolution No. 21)**

Passing the Resolution 21 by the General Meeting is related to the following:

1. Adjustment of BRE Bank SA By-laws to the wording of Articles 5 and 6 of the Banking Law dated 29 August 1997 (Journal of Laws dated 2002, No. 72, item 665, as amended). Related changes in the By-laws consist in the following:
 - a) amendment of § 1.1;
 - b) amendment of § 1.2;
 - c) amendment of § 1.3;
 - d) amendment of § 1.4;
 - e) amendment of § 1.6a;
 - f) amendment of § 1.7;
 - g) deletion of § 1.8;
 - h) renumbering of § 1.9 into § 1.8 and amendment to the latter;
 - i) renumbering of § 1.10 into § 1.9 and amendment to the latter;
 - j) renumbering of § 1.11-14 into § 1.10-13, respectively;
 - k) addition of § 1.14;
 - l) addition of § 1.15;
 - m) amendment of § 2.1;
 - n) deletion of § 2.2;
 - o) renumbering of § 2.3 into § 2.2 and amendment to the latter;
 - p) deletion of § 2.4;
 - q) renumbering of § 2.5-11 into, respectively § 2.3-9;
 - r) deletion of § 2.12;
 - s) renumbering of § 2.13 into § 2.10 and amendment to the latter;
 - t) deletion of § 2.14;
 - u) deletion of § 2.15;
 - v) renumbering of § 2.16 into § 2.11;
 - w) deletion of § 2.17;
 - x) addition of § 2.12; and
 - y) addition of § 2.13.

2. Specification and unifying provisions of the By-laws of BRE Bank SA relating to operations on real estates. Changes to the By-laws to the above-mentioned extent contain:

- a) amendment of § 22.3.1b);
- b) amendment of § 26.1; and
- c) amendment of § 30a.3.

Furthermore, passing the Resolution No. 21 by the General Meeting satisfies the requirements of § 11 e) of the By-laws of the Bank.

OPINION OF THE SUPERVISORY BOARD

In accordance with the wording of § 2 item 5 of the Rules of the Supervisory Board, having revised the draft of the resolution no 21 of XX Ordinary General Meeting, the Supervisory Board accepts its content and recommends to XX Ordinary General Meeting adoption of this resolution.

**BRE BANK SA MANAGEMENT BOARD'S RATIONALE
FOR RESOLUTION OF XX ORDINARY GENERAL MEETING
CONCERNING APPOINTMENT OF AN AUDITOR TO AUDIT THE FINANCIAL
STATEMENTS OF BRE BANK SA AND
THE CAPITAL GROUP OF BRE BANK FOR 2007
(Resolution No. 22)**

Article 66.4 of the Accounting Act and § 11 letter n) of the By-laws of the Bank require passing the Resolution No. 22.

Pursuant to Article 66.4 of the Accounting Act, the authority that approves financial statements of a company appoints the auditor to audit the financial statements, unless the By-laws, agreement or other legal regulations binding on the company provide otherwise.

Furthermore, passing the Resolution No. 22 by the General Meeting satisfies the requirements of § 11 letter n) of the By-laws of the Bank.

OPINION OF THE SUPERVISORY BOARD

In accordance with the wording of § 2 item 5 of the Rules of the Supervisory Board, having revised the draft of the resolution no 22 of XX Ordinary General Meeting, the Supervisory Board accepts its content and recommends to XX Ordinary General Meeting adoption of this resolution.