

TRANSLATION

Minutes of The 1999 Annual General Shareholders' Meeting of Thai Military Bank Public Company Limited

Held on Tuesday 27 April, 1999
at the Bank's Auditorium (7th floor),
Head Office, 3000 Phahonyothin Road,
Chatuchak District, Bangkok

The Meeting opened at 14.00 hrs.

There were 286 shareholders holding 516,129,392 shares representing 50.85 percent of the total paid-up shares attended the meeting to form a quorum.

General Wimol Wongwanich, Chairman of the Board of Directors presided over the meeting declared the Meeting opened with following agenda :

Agenda 1 To consider and approve The Minutes of the Extraordinary Shareholders' Meeting No. 1/1998 held on 10 November 1998

The Chairman requested the Meeting to consider the Minutes of the Extraordinary Shareholders' Meeting No. 1/1998 held on 10 November 1998, containing 6 pages, which had already been sent to shareholders.

The Meeting unanimously approved the Minutes of the Extraordinary Meeting of Shareholders No. 1/1998 held on 10 November 1998.

Agenda 2 To acknowledge The Board of Directors' Report on TMB's Operational Performance in 1998

The Chairman expressed his appreciation to shareholders for their attendance of the meeting.

The Bank had prepared in advance in 1998 that ~~The~~ Bank must set the provisions for NPL. Therefore, the Bank had to increase the capital in the early 1998 which received good cooperation from the shareholders. As a result, the Bank's capital adequacy ratio was above the officially set level. The Bank emphasized the strategies in maintaining quality assets and operational stability including the Bank's business strength which had enabled Thai Military Bank Plc. to weather various crises in the past.

The Bank's progress in various sectors were as follows :-

1. The Bank had achieved the ISO 9002 Certification for its credit card service. It was the first Thai commercial bank to attain this certification for the credit card service.
2. The Bank had amended and upgraded its computer systems to be ready for year 2000. The systems were already renovated and tested since the end of 1997.
3. At the end of 1997, The Bank's capital fund amounted to Baht 30,574 million
4. At present, the Bank had been able to reduce NPL to be lower than that of the commercial banking system .

The Board of Directors was confident that the Bank's management had made advanced planning and had been well prepared to face any situation and also with the close cooperation between directors, executives and staff, the Bank was able to achieve the set target, to weather the various crises and to receive the trust from customers and the general public in return.

The Board of Directors requested the Shareholders' Meeting to acknowledge the above report of the Board of Directors.

The Meeting acknowledged the Board of Directors' Report on the Bank's operational performance in the past year.

Agenda 3

To consider and approve the Balance Sheets and Profit and Loss Statements as of 30 June and 31 December 1998

The Chairman informed the Meeting that Balance Sheet and Profit & Loss Statements as at 30 June and 31 Dec'98 as appeared in the 7th to 75th page of the attachments. The Board of Directors requested the Meeting to approve the Balance Sheet and Profit & Loss Statements as at 30 June and 31 Dec'98. The President and CEO was requested to inform the Meeting as follows :-

Dr. Thanong Bidaya, President, had informed the shareholders that in 1998, the total deposits of the bank excluding the interbank transactions amounted to Baht 281,104,000,000 increased from 1996's level by 9.1% which was higher than the whole banking system.

The Bank did not mobilize too much deposits because it would increase the cost of funds as the Bank could not sufficiently grant the quality loans. There was a slow-down in credit extension but there was no impact on the Bank's liquidity. The Bank never applied for the support from Financial Institutions Development Fund (FIDF). This meant that the Bank had stability because of the consistent supports from shareholders and also customers' trust towards the Bank.

The deposits increased by Baht 49,000,000,000 ,at the same time the Bank had paid in the foreign deposits Baht 26,000,000 making the net increase in deposits rose by Baht 23,000,000,000. Therefore, the rumor that the Bank could not pay the foreign debts was not true. The Bank was able to solve the problems efficiently for the past 2 consecutive years.

Loans

At the end of 1998, total loans were Baht 278,117,000,000, a decrease of 5.5% from that of 1997 because the Bank had slowed down on the credit extension due to the economic decline. The economy declined by 8% while the loans in the whole banking system declined by 7%.

Assets

At the end of 1998, the Bank's total assets were Baht 355,672,000,000, a decrease of 8.5 % from that of 1997 because the Bank slowed down on the credit extension and also the foreign deposit repayments were the main causes for the Bank's assets to decrease.

Net Profit

All the commercial banks were not satisfied with their operational performances because net losses in the whole banking system happened almost for the first time in history.

As at the end of 1998, TMB reported the losses of Baht 7,700,000, which were not mainly from the operating losses but they were due to the Bank of Thailand's new provisioning requirement against doubtful and bad debts. The Bank had to classify its loans according to the new rules. The Bank had to set provisions to comply with the international standards which were quite strict comparing to the ones of the neighbouring countries in Asia.

By the end of Year 2000, only commercial banks that could survive would be the strongest banks in whole Asian region. The Bank had to transfer the capital fund and the retained earnings to make sufficient provisions according to the regulations. This caused the net profit to show losses of Baht 7,700,000.-. When comparing to the whole banking system, the Bank's situation was not more serious than other commercial banks, the smaller sized banks declared larger losses than that of our bank. However, no comparison should be made in order not to cause any repercussion on the banking systems. It should be pointed out that TMB's operational performance had always been better than that of the system.

NPL

The new meanings for the non-performing loans (NPL) were loans with non-payment of principals and/or interests as specified under the Loan Contracts or a part thereof would be considered as NPL. In changing to the new standards, NPL grew rapidly. In 1997, the Bank's NPL stood at 15.5% while the banking system was at 20.6%. In 1998, the Bank's NPL were at 38.2% while the banking system's NPL were at 42.9%. This showed that the Bank could control NPL better than the system.

The latest information on NPL as at 31 March, 1999, the Bank's NPL reduced only 36.6% which showed that our Bank's NPL had decreased while those of some banks had not reduced. It was expected that by the end of June'99, the Bank's NPL would reduce to 32%.

The Bank of Thailand estimated that the NPL of the whole banking system would be around 40% by the end of June, 1999. Our Bank expected that the Bank's NPL would be reduced to 30% by the end of 1999. The Bank also believed that the Bank's operational performance in the second half of 1999 would not show a loss.

The Bank was able to set aside provisions against bad loans according to The Bank of Thailand's regulations. The Bank never requested for special approvals or any exceptional cases from The Bank of Thailand. The Bank was able to operate according to the rules set by the government and also performed in the same manner as other commercial banks and the Bank was able to operate under these regulations until the end of 1999 with sufficient provisions as required by the Bank of Thailand.

On the provisions up to 100% as required by the Bank of Thailand, when compared to 5 other Thai commercial banks, the Bank would have the smallest amount. At present, the Bank had already made Baht 12,000 million in provisions. In 2000, the Bank still had another Baht 17,000 million to make provisions for. The Bank still had one and a half years for this and had planned to increase its capital by proposing to the shareholders' meeting today. If the meeting approved the proposal, the Bank would be able to make provisions up to 75% of the required amount. The remaining portion would come from the sale of Common Shares, when the economy had recovered, which should result in better share prices. The Bank needed to make more provisions by issuing debt instruments to be a part of Tier 1 capital, which would be explained to the meeting in the later agenda.

Capital of the Bank at the end of 1998 was Baht 30,574 million and the Capital Adequacy Ratio was 10.15% (the BOT's requirement was at the minimum of 8.5%). Tier 1 capital of the Bank was Baht 19,919 million or 6.61%, which was around 2% higher than the standard (the BOT's requirement was 4.25%). Tier 2 capital was Baht 10,655 million or 3.54%.

In order to make 100% provisions, the management had studied the methods of 4 Thai commercial banks, which had already raised their capitals by issuing SLIPS or CAPS.

Portions of SLIPS or CAPS could be included in Tier 1 capital. Only the Siam Commercial Bank applied a different method from those of the 4 other banks. However, the management had studied both methods and made a comparison before making decision which would be proposed to the shareholders' meeting in the later agenda.

The Balance Sheets as at June 30 and December 31, 1998 and Statements of Income for the period of 6 months ended June 30, 1998, and for one year ended December 31, 1998 including notes to financial statements were submitted to the shareholders for consideration.

The meeting considered and approved the above-mentioned financial statements as presented by the Board of Directors.

Agenda 4 To consider the Appropriation of Profit of 1998

The Chairman informed the Meeting that the Bank's operating performance in 1998 was as follows:

1997 Profit Balance brought forward	Baht 1,011,715,604.07
Net Loss for the Year 1998	Baht 7,699,862,361.67
1998 Loss Balance carried forward	Baht 6,688,146,757.60

Due to the loss in operating performance mentioned above, the Board of Directors proposed to the meeting not to pay dividends.

The meeting considered and approved not to pay dividends as proposed by the Board of Directors.

**Agenda 5 To consider and elect Board of Directors to
replace the directors who have completed
their term of office**

The Chairman informed the Meeting that according to the Articles of Association, at every Annual General Shareholders' Meeting, one-third of the members of the Board of Directors would retire. Presently, there were twenty-one directors on the board. Therefore, seven of them would retire as follows:

1. Air Chief Marshal Tananit Niamtan
 2. General Charn Boonprasert
 3. General Rawat Boontup
 4. Major General Veera Sanpradit
 5. Rear Admiral Joomphon Buasap
 6. Air Vice Marshal Thira Thitivorn
- and 7. Mr. Prayoon Chindapradist

The Chairman requested the Meeting to consider the appointment of directors to replace those who had completed their term.

A shareholder proposed that all seven directors should be re-elected for another term. Those seven directors comprised of:

1. Air Chief Marshal Tananit Niamtan
2. General Charn Boonprasert
3. General Rawat Boontup
4. Major General Veera Sanpradit
5. Rear Admiral Joomphon Buasap
6. Air Vice Marshal Thira Thitivorn
- and 7. Mr. Prayoon Chindapradist

Mr. Termphan Bunnag, another shareholder, expressed his disagreement to the re-election of one director as proposed by the first shareholder. He explained the reasons for his objection that he would like to have a director to have the ability, integrity, not to enrich himself by accumulating personal wealth. He would like to have a director who would come to revive the good name of the bank. Concerning Mr. Prayoon Chindapradist (who he disapproved as a director), he felt that Mr. Prayoon Chindapradist had the knowledge but he was sorry to say that the former President's situation was close to bankruptcy because of severe mismanagement. Since this shareholder did not propose anybody to replace Mr. Prayoon Chindapradist, other shareholders were welcome to recommend anyone else to replace him.

The third shareholder commented that he did not know the seven retiring directors' performances. However, he agreed that most of them should be re-elected for another period. Nevertheless, he expressed his concern that due to the depressed economic condition of the country and the bank, the number of the bank's Directors was quite high when compared with that of Krung Thai Bank, it, therefore, should be reduced. He did not know whether the Chairman agreed with him or not. He would like the Chairman to consider retaining the people with knowledge and ability as absolutely necessary.

The Chairman explained that the Bank's directors did not receive any salary but only meeting's allowances. Having several directors

proved to be helpful in auditing and protecting benefits of the shareholders, the customers and the armed forces which were the majority shareholders. During the time of crisis, the Bank required joint efforts and opinions which would be beneficial to the Bank. In the past, each director had contributed his effort towards the Bank's survival. Concerning the objection of Mr. Prayoon Chindapradist, we would consider as an opinion of one person. In comparing the Bank's directors with those of other commercial banks, all aspects must be compared and not to compare only one aspect. Then, it would be apparent which were better theirs or ours.

On the election of directors under this agenda, the Chairman requested the Meeting to vote. The shareholders, who were in favour of the original proposal to re-elect the seven directors who had completed their term, were requested to raise their hands. The proxy holders of the Royal Thai Army, Royal Thai Navy, Royal Thai Airforce, Supreme Command Headquarters, TV Channel 5 Co.,Ltd. and Thai Life Insurance Co.,Ltd. with the total shareholdings of 464,648,869 shares representing 90% of the amount of the voting shares present. After that, the Chairman requested the shareholders who opposed Mr. Prayoon Chindapradist to raise their hands. There were eight shareholders with opposing votes.

The Chairman concluded that those in favour of re-electing the seven directors outnumbered the opposing votes. Therefore, it was considered that the Meeting had approved the re-election of the seven directors comprising of:

1. Air Chief Marshal Tananit Niamtan
 2. General Charn Boonprasert
 3. General Rawat Boontup
 4. Major General Veera Sanpradit
 5. Rear Admiral Jomphon Buasap
 6. Air Vice Marshal Thira Thitivorn
- and 7. Mr. Prayoon Chindapradist
- have been reinstated as directors for another term.

Dr. Thanong Bidaya, the President explained to the Meeting about the Bank's business operating performances in 1998. Customers' deposits (exclusive of Interbank deposits) totalling Baht 281,104 million, increasing from that of 1997 by 9.1%. In 1998, the Bank had continuously mobilized local customers' deposits, which went up by more than Baht 49,000 million. And even though the foreign deposits dropped by Baht 26,000 million, the net deposits still increased by Baht 23,000 million at the end of March 1999. With remaining foreign deposits of only Baht 2,000 million, the Bank had no problem if foreign investors should decide to withdraw their money.

Net loans outstandings at the end of 1998 totalling Baht 278,177 million, reducing by 5.5%, compared to the 1997 figure, resulting from the slowdown in granting loans by the Bank due to the unfavorable economic conditions.

The Bank's assets at the end of 1998 were totalling Baht 355,672 million, dropping by 8.5% from that of the end of 1997, due to the slowdown in granting loans and the foreign account withdrawals of Baht 26,000 million.

In 1998, the Bank registered a net loss of approximately Baht 7,000 million, resulting from bad/doubtful debt provisions and other provisions required by the new regulations of the Bank of Thailand.

At the end of March 1999, NPL reduced to Baht 110,011 million and NPL to Loan ratio was 36.6%. It was expected that NPL to Loan ratio at the end of June 1999 would be only 32%.

The Bank planned to make full provisions for bad/doubtful debts before the dead line set by the Bank of Thailand. Therefore, the bank had made more provisions in 1998 than in 1997.

In order to make 100% provisions, the Bank would need another Baht 29,000 million. At present, the Bank had already made provisions around Baht 12,000 million. Another Baht 17,000 million would be made in 2000.

Agenda 8

To consider the Amendment of Article 4 of the Memorandum and Articles of Association on the subject of the Registered Capital to be in line with the Reduction of the Registered Capital.

The Chairman informed the Meeting that the Meeting had approved the reduction of the registered capital of the Bank to Baht 10,148,676,000.- to be in line with the reduction of the registered capital. Therefore, he proposed to amend Article 4 of the Memorandum and Articles of Association as follows:

Article 4

		Registered Capital of Baht 10,148,676,000.- (Baht Ten thousand one hundred forty-eight million six hundred and seventy-six thousand)
Divided into	1,014,867,600 shares	(One thousand fourteen million eight hundred sixty-seven thousand and six hundred shares)
Value per share	Baht 10.00	(Baht Ten)
Separated into :		
Common Shares	1,014,867,600 shares	(One thousand fourteen million eight hundred sixty-seven thousand and six hundred shares)
Preferred Shares	-None-	

The Meeting resolved unanimously to amend Article 4 of the Memorandum and Articles of Association of the bank as follows:

Article 4

		Registered Capital of Baht 10,148,676,000.- (Baht Ten thousand one hundred forty-eight million six hundred and seventy-six thousand)
Divided into	1,014,867,600 shares	(One thousand fourteen million eight hundred sixty-seven thousand and six hundred shares)
Value per share	Baht 10.00	(Baht Ten)

The Bank's capital funds for Quarter 1/1999 were Baht 30,574 million. The Capital Adequacy ratio was 10.24%, consisting of Tier 1 capital 6.67% and Tier 2 capital 3.57%.

Dr.Thanong Bidaya, the President explained to the Meeting that there were several ways to increase capital funds of the Bank in order to make 100% provisions, for example, by issuing new Common Shares for capital increase or Preferred Shares together with Subordinated Debentures. Recently, three big commercial banks had raised funds by issuing Preferred Shares together with Subordinated Debentures as Securities Group 1, along with Subordinated Debentures as Securities Group 2. As for the Bank, it would raise Tier 1 capital by issuing Preferred Shares together with Subordinated Debentures as Securities Group 1, and Non-Subordinated Debentures as Securities Group 2. Altogether they would be called "SUPER CAPS".

Dr.Thanong Bidaya, the President further explained that the Bank must have the approval of the Shareholders' Meeting in compliance with the laws and regulations in order to issue SUPER CAPS. In summary, the procedures to obtain the approval from the Shareholders' Meeting should include the approval to reduce capital funds, to increase capital funds, to amend the Memorandum and Articles of Association No.4 according to Agenda 7 through Agenda 10, to allocate for capital increase according to Agenda 11, to amend rules and regulations to support Preferred Shares according to Agenda 12, to establish or to hold shares/securities in the subsidiary companies or Special Purpose Vehicle (SPV) or Mutual Funds for the benefit of raising capital and to appoint the financial advisor(s) according to Agenda 13 and 14, all of which would be subject to further consideration in the future meetings.

After Dr. Thanong Bidaya had explained to the Meeting, the Chairman requested the Meeting to consider and approve the reduction of the registered capital from Baht 16,148,676,000.00 to Baht 10,148,676,000.00 by cutting the portion of Common Shares that had not yet been issued and sold amounting to 600,000,000 shares with the face value of Baht 10.00 per share.

The Meeting resolved unanimously to reduce the registered capital of the Bank from Baht 16,148,676,000.00 to Baht 10,148,676,000.00.

Separated into :

Common Shares 1,014,867,600 shares (One thousand fourteen million eight hundred sixty-seven thousand and six hundred shares)

Preferred Shares -None-

Agenda 9

To consider the Increase of the Registered Capital from Baht 10,148,676,000.- to Baht 16,148,676,000.- by issuing Common Shares of 598,000,000 shares and Preferred Shares of 2,000,000 shares.

The Chairman informed the Meeting that as mentioned earlier to the shareholders about raising funds to strengthen Tier 1 capital, which would be a key factor in expanding business operations. Therefore, the Board of Directors requested the Meeting to consider and approve the increase of the registered capital from Baht 10,148,676,000.- to Baht 16,148,676,000.- by issuing Common Shares in the amount of 598,000,000 shares and Preferred Shares in the amount of 2,000,000 shares with the face value of Baht 10.- per share in compliance with funds raising procedures of the bank as the President had already explained to the shareholders.

The Meeting resolved unanimously to increase the registered capital from Baht 10,148,676,000.- to Baht 16,148,676,000.- by issuing Common Shares in the amount of 598,000,000 shares and Preferred Shares in the amount of 2,000,000 shares with the face value of Baht 10.- per share.

Agenda 10

To consider the Amendment of Article 4 of the Memorandum and Articles of Association on the subject of the Registered Capital to be in line with the Increase in the Bank's Capital.

The Chairman informed the Meeting that the Meeting had approved the increase of share capital for another Baht 6,000 million by issuing Common Shares in the amount of 598,000,000 shares and Preferred Shares in the amount of 2,000,000 shares with the face value of Baht 10.- per share. Therefore, he requested the approval from the

Meeting to amend Article 4 of the Memorandum and Articles of Association as follows:

Article 4

Registered Capital of Baht 16,148,676,000.- (Baht Sixteen thousand one hundred forty-eight million six hundred and seventy-six thousand)		
Divided into	1,614,867,600 shares	(One thousand six hundred fourteen million eight hundred sixty-seven thousand and six hundred shares)
Value per share	Baht 10.00	(Baht Ten)
Separated into :		
Common Shares	1,612,867,600 shares	(One thousand six hundred twelve million eight hundred sixty-seven thousand and six hundred shares)
Preferred Shares	2,000,000 shares	(Two million shares)

The Meeting resolved unanimously to amend Article 4 of the Memorandum and Articles of Association of the bank as follows:

Article 4

Registered Capital of Baht 16,148,676,000.- (Baht Sixteen thousand one hundred forty-eight million six hundred and seventy-six thousand)		
Divided into	1,614,867,600 shares	(One thousand six hundred fourteen million eight hundred sixty-seven thousand and six hundred shares)
Value per share	Baht 10.00	(Baht Ten)
Separated into :		
Common Shares	1,612,867,600 shares	(One thousand six hundred twelve million eight hundred sixty-seven thousand and six hundred shares)

Preferred Shares 2,000,000 shares (Two million shares)

**Agenda 11 To consider and approve the Allocation of
New Shares as follows:**

Common Shares for Capital Increase

11.1 Common Shares for capital increase in the amount of 548,000,000 shares with face value of Baht 10.- per share for sale to investors both local and/or foreign and/or selected investors and/or 17 types of institutional investors according to the announcement of the Securities and Exchange Commission and the Stock Exchange of Thailand.

11.2 Common Shares for Capital Increase in the amount of 50,000,000 shares with face value of Baht 10.- per share as reserve for exercise of warrants to purchase Common Shares.

Preferred Shares

11.3 Preferred Shares Section A in the amount of 1,000,000 shares with face value of Baht 10.- per share for sale to investors both local and/or foreign and/or selected investors and/or 17 types of institutional investors according to the announcement of the Securities and Exchange Commission and the Stock Market which could be sold together with Subordinated Debentures and/or Non-Subordinated Debentures and/or Subordinated Convertible Debentures and/or Convertible Debentures.

11.4 Preferred Shares Section B in the amount of 1,000,000 shares with face value of Baht 10.- per share for sale to investors both local and/or foreign and/or selected investors and/or 17 types of institutional investors according to the announcement of the Securities and Exchange Commission and the Stock Market which can be sold together with Subordinated Debentures and/or Non-Subordinated Debentures and/or Subordinated Convertible Debentures and/or Convertible Debentures.

In the event that there are remaining shares from sale to the Selected Investors and/or 17 types of Institutional Investors according to the relevant announcements of the Securities and Exchange Commission, the bank's Board of Directors or Board of Executive Directors or the Chairman or the President will have the power to consider and allocate the remaining shares to be sold to the general public and/or Selected

Investors and/or 17 types of Institutional Investors according to the relevant announcements of the Securities and Exchange Commission as deemed appropriate. In addition, they would have power to apply for relaxation in holding shares exceeding the amount prescribed under the Commercial Banking Act and the Securities and Exchange Act.

As to the details of sale, such as the price, time period, or method of sale and other relevant details including share price above the par value would be under consideration of the Bank's Board of Directors or Board of Executive Directors or any person authorized by the Bank's Board of Directors or Board of Executive Directors or the Chairman or the President who would take the appropriate actions.

However, in the issuance and offer for sale the mentioned shares for capital increase, the Bank might need to appoint the financial advisors and/or the underwriters and to do, sign, amend, negotiate, execute contracts and other documents including contacting, giving information, presenting documents to the Securities and Exchange Commission, the Bank of Thailand, the Stock Exchange of Thailand and/or other departments relating to the issuance of common share for capital increase. The Bank, therefore, requested that the Bank's Board of Directors or Board of Executive Directors or any person authorized by the Bank's Board of Directors or Board of Executive Directors or the Chairman or the President would have the power to act in all matters.

The Chairman informed the meeting that, Dr.Thanong Bidaya, the President and CEO, had explained the form and methods in the Bank's recapitalization to the shareholders. Therefore, the meeting was requested to consider the allocation of new shares as proposed by the Chairman including the designation of the Board of Directors or the Board of Executive Directors or the persons who had been assigned by the Board of Directors or the Board of Executive Directors, the Chairman or the President in determining the details of sale such as pricing, period of sale or method of sale and any other details concerning the issuance and sale of shares for capital increase as mentioned.

The meeting was requested to consider this matter.

The meeting considered and resolved to allocate the new shares in the amount of 600,000,000 shares as proposed by the Board of Directors. In the event that there were remaining shares from sale to selected investors and/or 17 types of institutional investors according to the relevant announcements of the Securities and Exchange Commission, the Bank's Board of Directors or the Board of Executive Directors or any person authorized by the Bank's Board of Directors or the Board of Executive Directors or the Chairman or the President would use his judgement and authority to consider. The allocation of the remaining shares as mentioned to be sold to the general public and/or 17 types of institutional investors according to the relevant announcements of the Security and Exchange Commission as deemed appropriate. In addition, he would also have the authority to apply for relaxation in holding shares in excess of the amount set by the Banking and Security Exchange Acts.

Concerning details of sale, such as pricing, timing or method of sale and other relevant details including selling higher than the face value would be under the judgement of the Bank's Board of Director, Board of Executive Directors or the person authorized by the Bank's Board of Director or Board of Executive Directors or the Chairman or the President to consider to exercise as deemed appropriate.

However, in the issuance and offer for sale the mentioned shares for capital increase, the Bank might need to appoint the financial advisors and/or the underwriters and to do, sign, amend, negotiate, to execute contracts and other documents including contacting, giving information, presenting documents to the Securities and Exchange Commission, Bank of Thailand, the Securities Exchange of Thailand and/or other departments relating to the issuance increase, it was, therefore, requested that the Bank's Board of Directors or the Board of Executive Directors or any person authorized by the Bank's Board of Directors or the Board of Executive Directors or the Chairman, the President would have the power to act in all matters.

Agenda 12 - To consider the amendments of the original Article 3 of the Bank's Articles of Association to the new Article 3 with the additions of Article 3 bis and Article 3 ter.

The Chairman informed the meeting that the proposed amendments of the Bank's original Article 3, Article 3 bis and Article 3 ter, Article 41 and Article 43 bis (according to the attachments 1 - 2 which had been sent to shareholders with the invitation letters for the meeting)

The meeting considered and approved unanimously the amendments of Article 3, Article 3 bis, Article 3 ter Article 41 and Article 43 bis, as follows:

Article 3.

Every share of the Company shall be ordinary and preference share of equal value and each shall be paid up in full. The Company may issue preference shares, debentures, preference shares which may be converted into ordinary shares or debentures which may be converted to ordinary shares and any other securities in accordance with the Securities and Exchange Act.

Preference shares shall be divided into Class A Preferred Shares and Class B Preferred Shares which shall confer the rights and conditions as specified in Article 3 bis and 3 ter.

In making payment for the shares, the share subscribers or share buyers can not set off any claim against the Company.

Article 3 bis.

The Class A Preferred Shares of the Company (the "Class A Preferred Shares") shall confer the following rights and conditions on the holders thereof (each a "Class A Holder"):

- (1) Upon liquidation of the Company for whatsoever reason, any amount remaining after payment of all amounts or making reserve for payment of all amounts payable in respect of indebtedness of the Company, shall be divided, ranking in priority to the ordinary shareholders but equal to other preference shareholders, among the holders of Class A Preferred Shares pro rata to the number of Class A Preferred Shares held by each Class A Holder in the amount of Baht 100,000 (One Hundred Thousand Baht) per one Class A Preferred Shares ("Liquidation Preference").

If the proceeds derived from the liquidation are insufficient to make such payment in full, such proceeds shall be distributed to the Class A Holders pro rata to their respective holdings of the Class A Preferred Shares.

- (2) On the due date for redemption of the subordinated debentures of the Company issued in connection with the Class A Preferred Shares (the "Debentures"), the Company shall pay to the Class A Holders an amount of Baht 100,000 (One Hundred Thousand Baht) minus the par value of Class A Preferred Shares per one Class A Preferred Shares. Such payment shall be effected by means of a reduction of the premium reserve of the Company by an amount equal to the lesser of (I) the amount referred to above and (II) the amount of such premium reserve. The premium reserve shall not in any event be used to make good an accumulated loss of the Company as provided by Section 119 of the Public Limited Companies Act B.E. 2535.
- (3) Upon redemption of the Debentures or upon liquidation of the Company for whatsoever reason and the holders of the Debentures have exercised their rights to receive payment under the Debentures or the holders of the Debentures have been paid under the Debentures whether in full or not, the Liquidation Preference of the Class A Preferred Shares shall be reduced to a par value per one Class A Preferred Share at such time.
- (4) Immediately upon redemption of the Debentures, the Class A Preferred Shares shall be convertible to ordinary shares in the Company. A Class A Holder may request such conversion at any time thereafter by submitting a written request for such conversion, together with the certificate(s) for the relevant Class A Preferred Share(s), to the Company.
- (5) The Class A Holders shall have a preferential right to receive dividends in respect of the Class A Preferred Shares in each year in priority to the holders of ordinary shares.

In case the Company does not have accumulated loss and has sufficient profits to be allocated as dividend to the Class A Holders at the rate mentioned below, to the holders of Class B Preferred Shares and the holders of ordinary shares at the rate approved by the meeting of the Board of Directors and/or the shareholders, as the case may be, and, if the Company pays a dividend on its ordinary shares in respect of any accounting year, dividends on each Class A Preferred Share shall be paid in respect of such accounting year per annum as follows:

- (a) If the Company continues to pay interest on the Debentures in full on a due date pursuant to the terms and conditions of the Debentures or the Debentures have been redeemed: at the rate of Baht 1; or
- (b) where the annual interest payable under the Debentures for that accounting year has not been paid in full in accordance with the terms and conditions of the Debentures: an amount which would be payable by way of annual interest in that year as set out in the prospectus issued in connection with the Class A Preferred Shares and the Debentures minus the interest that has been paid on the Debentures in such accounting year.

If the Company pays dividend to Class A Holders as set out in the second paragraph following approval of the Board of Directors and/or the shareholders, as the case may be, any dividend payable shall be declared and paid in equal semi-annual installments by way of interim distribution and final distribution to the Class A Holders on the interest payment dates under the Debentures or as nearly to such dates as possible; Provided that the aggregate amount of dividend paid to any Class A Holder in any accounting year shall not exceed an amount specified in the second paragraph of this Article.

If the Company pays no dividend on its ordinary shares in respect of any accounting year it may nevertheless pay a dividend on the Class A Preferred Shares in respect of such accounting year subject to the availability of distributable profits.

- (6) If (i) the Board of Directors of the Company declares no interim dividend on the ordinary shares in respect of any accounting year and declares no interim dividend on the Class A Preferred Shares in respect of such year but (ii) the Company subsequently declares an annual dividend on the ordinary shares in respect of such year, then the full dividend payable on the Class A Preferred Shares in respect of such year shall be paid to the Class A Holders as an annual dividend as described in Article 3.bis (5) and in this regard the third paragraph of Article 3. bis (5) shall not apply.
- (7) Each Class A Preferred Share shall carry the right to one vote at any meeting of the shareholders of the Company.

Article 3 ter.

The Class B Preferred Shares of the Company (the "Class B Preferred Shares") shall confer the following rights and conditions on the holders thereof (each a "Class B Holder")

- (1) Upon liquidation of the Company for whatsoever reason, any amount remaining after payment of all amounts or making reserve for payment of all amounts payable in respect of indebtedness of the Company, shall be divided, ranking in priority to the ordinary shareholders but equal to other preference shareholders, among the holders of Class B Preferred Share pro rata to the number of Class B Preferred Shares held by each Class B Holder in the amount of Baht equal, at the Reference Rate quoted by the Bank of Thailand (calculated from the average rates for buying and selling US Dollar currency or other similar reference rates to be used or notified by the Bank of Thailand) on the date of the winding-up order in respect of the Company or the date the court declares the Company's bankruptcy or the date the court has final order winding-up the Company, as the case may be, to US\$ 1,000 per one Class B Preferred Share ("Liquidation Preference").

If the proceeds derived from the liquidation are insufficient to make such payment in full, such proceeds shall be distributed to the Class B Holders pro rata to their respective holdings of the Class B Preferred Shares.

- (2) On the due date for redemption of the subordinated debentures of the Company issued in connection with the Class B Preferred Shares (the "Debentures"), the Company shall pay to the Class B Holders an amount of Baht equal, at the Reference Rate quoted by the Bank of Thailand (calculated from the average rates for buying and selling US Dollar currency or other similar reference rates to be used or notified by the Bank of Thailand) on business day preceding such payment, to US\$ 1,000 per one Class B Preferred Share minus the par value of Class B Preferred Shares. Such payment shall be effected by means of a reduction of the premium reserve of the Company by an amount equal to the lesser of (i) the amount referred to above and (ii) the amount of such premium reserve. The premium reserve shall not in any event be used to make good an accumulated loss of the Company as provided by Section 119 of the Public Limited Companies Act B.E. 2535.

- (3) Upon redemption of the Debentures or upon liquidation of the Company for whatsoever reason and the holders of the Debentures have exercised their rights to receive payment under the Debentures or the holders of the Debentures have been paid under the Debentures whether in full or not, the Liquidation Preference of the Class B Preferred Shares shall be reduced to a par value per one Class B Preferred Share at such time.
- (4) Immediately upon redemption of the Debentures, the Class B Preferred Shares shall be convertible to ordinary shares in the Company. A Class B Holder may request such conversion at any time thereafter by submitting a written request for such conversion, together with the certificate(s) for the relevant Class B Preferred Share(s), to the Company.
- (5) The Class B Holders shall have a preferential right to receive dividends in respect of the Class B Preferred Shares in each year in priority to the holders of ordinary shares.

In case the Company does not have accumulated loss and has sufficient profits to be allocated as dividend to the Class B Holders at the rate mentioned below, to the Class A Holders and the holders of ordinary shares at the rate approved by the meeting of the Board of Directors and/or the shareholders, as the case may be, and, if the Company pays a dividend on its ordinary shares in respect of any accounting year, dividends on each Class B Preferred Share shall be paid in respect of such accounting year per annum as follows:

- (a) If the Company continues to pay interest on the Debentures in full on a due date pursuant to the terms and conditions of the Debentures or the Debentures have been redeemed: at the rate of Baht 1; or
- (b) where the annual interest payable under the Debentures for that accounting year has not been paid in full in accordance with the terms and conditions of the Debentures: an amount which would be payable by way of annual interest in that year as set out in the prospectus issued in connection with the Class A Preferred Shares and the Debentures minus the interest that has been paid on the Debentures in such accounting year.

If the Company pays dividend to Class B Holders as set out in the second paragraph following approval of the Board of Directors and/or the shareholders, as the case may be, any dividend payable shall be declared and paid in equal semi-annual installments by way of interim distribution and final distribution to the Class B Holders on the interest payment dates under the Debentures or as nearly to such

dates as possible; Provided that the aggregate amount of dividend paid to any Class B Holder in any accounting year shall not exceed an amount specified in the second paragraph of this Article.

If the Company pays no dividend on its ordinary shares in respect of any accounting year it may nevertheless pay a dividend on the Class B Preferred Shares in respect of such accounting year subject to the availability of distributable profits.

- (6) If (i) the Board of Directors of the Company declares no interim dividend on the ordinary shares in respect of any accounting year and declares no interim dividend on the Class B Preferred Shares in respect of such year but (ii) the Company subsequently declares an annual dividend on the ordinary shares in respect of such year, then the full dividend payable on the Class B Preferred Shares in respect of such year shall be paid to the Class B Holders as an annual dividend as described in Article 3.ter (5) and in this regard the third paragraph of Article 3.ter (5) shall not apply.
- (7) Each Class B Preferred Share shall carry the right to one vote at any meeting of the shareholders of the Company.

Article 41

The Company shall prepare and maintain accounts, including the auditing of accounts as required by the relevant laws. The Company shall prepare balance sheet and profit and loss statement, at least once a year within 12-month period, which is the accounting period of the Company.

The Board of Directors shall prepare balance sheet and profit and loss statement as at the end of accounting period, for presentation to, and approval of the annual general meeting of the shareholders. The Board of Directors shall procure to have such balance sheet and profit and loss statement, to be audited by the auditor, prior to presentation to the meeting of the shareholders.

Addition of Article 43

Article 43 bis

Dividend shall not be paid other than out of profits. If the Company still has an accumulated loss, no dividends shall be distributed. Unless otherwise specified by the Articles of Association regarding preferred shares, dividends shall be distributed according to the numbers of shares, with each share receiving an equal amount. Payments of dividend shall be approved by the meeting of the shareholders.

The meeting was asked to consider to approve the power to the Board of Directors and/or the Board of Executive Directors and/or the Chairman and/or the Chairman of Board of Executive Directors and/or the President in signing for the alteration, amendment of the contents of the Articles in accordance with the opinion or suggestion of the Registrar of Commercial Registration Office, Ministry of Commerce and other officers in any other governmental entities to enable the Articles to be registered by the Ministry.

Agenda 13 - To approve the setting up or holding shares or other securities in a subsidiary or Special Purpose Vehicle (SPV) or mutual fund for the purpose of sales of Class A Preferred Shares and/or subordinated debenture, and the entering into the Master Investment Agreement or other agreements, as necessary, by the Bank with any person or such subsidiary or SPV or mutual fund, who will be investors subscribing for the Class A Preferred Shares and/or subordinated debentures of the Bank and/or its branch.

The Chairman advised the meeting to consider the purpose of this agenda as outlined in the attachment 3.

The meeting, therefore, was requested to consider and approve.

The meeting considered and resolved that the Bank would be able to set up or hold shares or other securities in a subsidiary or Special Purpose Vehicle (SPV) or mutual fund for the purpose of sales of Class A Preferred Shares and/or subordinated debenture. Such subsidiary or SPV or mutual fund may issue and sell capital securities or other securities to investors, and shall use the proceeds therefrom to invest in the Class A Preferred Shares and subordinated debentures issued by the Bank and/or its branch.

Besides, the meeting authorize the Board of Directors or the Board of Executive Directors or any person authorized by the Board of Directors or the Board of Executives Directors or the Chairman or the President to have a power to perform any acts including negotiating, agreeing to, entering into, or signing in the Master Investment Agreement or other agreement as necessary and to specify any other details in relation to the setting up or holding shares or other securities in the subsidiary or SPV or mutual fund.

In setting up or holding shares or other securities in a subsidiary or Special Purpose Vehicle (SPV) or mutual fund and the entering into the Master Investment Agreement, the Bank may need to appoint a financial advisor including other agents and to enter into, sign in, amend, negotiate agreements or other documents including to contact or provide information or submit evidences to the Securities and Exchange Commission, the Bank of Thailand, the Stock Exchange of Thailand and/or other relevant authorities. The meeting should authorize the Board of Directors or the Board of Executive Directors or any person authorized by the Board of Directors or the Board of Executive Directors or the Chairman or the President to have a power to appoint a financial advisor including other agents and to enter into, sign in, amend, negotiate agreements or other documents including to contact or provide information or submit evidences to relevant authorities.

Agenda 14 - To approve the setting up or holding shares in a subsidiary or Special Purpose Vehicle (SPV) or mutual fund for the purpose of sales of Class B Preferred Shares and/or subordinated debenture, and the entering into the Trust Agreement or other agreements, as necessary, by the Bank with any person or such subsidiary or SPV, who will be investors subscribing for the Class B Preferred Shares and/or subordinated debentures of the Bank and/or its branch.

The Chairman advised the meeting that the consideration of this agenda was similar to the consideration of Article 13 but this agenda related the operation of the Class B Preferred Shares. The purpose was outlined in the Attachment 4

The meeting, therefore, was requested to consider and approve.

The Meeting considered and approved the setting up or holding shares in a subsidiary or a Special Purpose Vehicle (SPV) or mutual fund for the purpose of sales of Class B Preferred Shares and / or subordinated debentures, and entering into the Trust Agreement or other agreements, as necessary, by the Bank with any person or subsidiary or SPV or mutual fund, who would be investors subscribing for the class B Preferred Shares and / or subordinated debentures of the Bank and / or its branch.

And to consider granting the authority to the Board of Directors and / or the Board of Executive Director and / or any person which has been assigned by the Board of Directors and / or the Chairman and / or the Executive Chairman and / or the President to have the power to perform any acts including negotiating, agreeing to, enter into, or signing in the Trust Agreement other agreements as necessary and to specify any other details in relation to the setting up or holding shares in the subsidiary or SPV, for example, organization form, numbers of shares to be held, location, details of the Trust Agreement or other agreements as necessary, and details of securities to be issued, such as, a number of securities, term, maturity for redemption or payment, interest rate, rate of dividend or other benefits, including the guarantee of any obligation of the subsidiary or SPV, which may incur as a result of this fund raising method. The Board of Directors or the Board of Executive Directors or any person authorized by the Board of Directors or the Board of Executive Directors or the Chairman or the President may also appoint one or more persons to perform such above - mentioned acts.

The Bank may need to appoint a financial advisor including other agents and to enter to, sign in, amend, negotiate agreements or other documents including to contact or provide information or submit evidences to the Securities and Exchange Commission, the Bank of Thailand, the Stock Exchange of Thailand and / or other relevant authorities. The meeting should therefore authorize the Board of Directors or the Board of Directors Executive

or the Chairman or the President to have a power to appoint a financial advisor including other agents and to enter into, sign in, amend, negotiate agreements or other documents including to contact or provide information or submit evidences to relevant authorities.

Agenda 15 : To approve the issue and offer for sales of debentures, by the Bank and / or any branch of the Bank, of various types of debentures in one and / or more offerings depending on financial need of the Bank in Baht and / or US\$ and / or other currencies as the bank deems appropriate in the aggregate principal amount of not exceeding US\$ 1,500 Million or in Baht or in other currencies in the equivalent amount using the prevailing exchange rate at the time of each offering.

The Chairman informed the meeting that the approval of the issue and offer for sales of debentures, by the Bank and / or any branch of the Bank, of various types of above - mentioned debentures in aggregate principal amount of US\$ 1,500 Million or in Baht or in other currencies in the equivalent amount using the prevailing exchange rate at the time of each offering as the equity - liked instruments similar to CAPS or SLIPS which other 3 large-sized commercial banks had already issued as Dr. Thanong Bidaya, the President previously explained to the shareholders. The request for approval of the issue and offer for sales of debentures under this agenda was in line with the condition in the Appendix 5.

The meeting considered and granted permission for the Bank and / or any branch of the Bank to issue or offer for sales of debentures, of various types of debentures in one or more offerings depending on financial need of the Bank in Baht and / or USD and / or other currencies as the bank deems appropriate in the aggregate principle amount of not exceeding US\$ 1,500 Million or in Baht or in other currencies in the equivalent amount using the prevailing exchange rate at the time of each offering.

Under the following conditions :

- Types** : All types of debentures (subordinated or non-subordinated and short term or long term) depending upon the market suitability at each time.
- Currency** : Baht, US\$ and / or other currencies.
- Principal Amount** : Principal amount of the debentures issued will not exceed US\$ 1,500 Million or within the aggregate principal amount of Baht or other foreign currencies in the equivalent amount, using the prevailing exchange rate at the time of each offering.
- Offering** : Offer to public and / or specific investors and / or institutional investors pursuant to the notification of the Securities and Exchange Commission both domestically and overseas, in one or more offerings and may be issued and sold with or in connection with other securities, and may be issued and sold, as replacement for the debentures already issued and sold by the Bank, to the existing holders of such debentures which will be redeemed providing that the Bank will comply with the relevant laws and will apply for approval from any relevant government agencies.
- Interest Rate** : Depending upon the market suitability at the time of the issue and offer for sale
- Maturity** : Not exceeding 100 years or upon liquidation of the Bank.
- Early Redemption** : The debenture holders and / or the Bank may or may not have the put option depending on

**the terms and conditions of the debentures
issued at that time.**

The offering price, offering period, method of offering and other relevant details shall be decided by the Board of Directors or the Board of Executive Directors or any person authorized by the Board of Directors or the Board of Executive Directors or the Chairman or the President as they deem appropriate. The Bank may need to appoint a financial advisor and / or an underwriter and to enter into, sign in, amend, negotiate agreements and / or other documents including to contact or provide information or submit evidences to the Securities and Exchange Commission, the Bank of Thailand, the Stock Exchange of Thailand and / or other relevant authorities relating to the offer and sales of such debentures, the meeting should authorize the Board of Directors or the Board of Executive Directors or any person authorized by the Board of Directors or the Board of Executive Directors or the Chairman or the President to have a power to appoint a financial advisor and / or an underwriter and to enter into, sign in, amend, negotiate agreements and / or other documents including to contact or provide information or submit evidences to authorities, and perform all other necessary acts relating to the offer and sales of such debentures.

Agenda 16 : To consider and grant permission for the bank to issue warrants to purchase common shares in the amount not exceeding 1,000,000 units with maturity not over 7 years for sale to investors both local and / or foreign and / or for sale to the selected investors and / or 17 types of institutional investors according to the announcement of the Securities and Exchange Commission and the Stock Exchange of Thailand.

However, the Board of Directors or any person assigned by the Board of Directors would be authorized to set the amount, the selling price, the time period of sale and payment together with the rules, conditions and details concerning the sale of warrants as deemed appropriate and / or to sell in

combination with the subordinated debentures or non-subordinated debentures or any type of debentures or in combination with preferred shares section a by selling the whole amount at one time or in instalments when the suitable opportunities arise and at the appropriate time periods by keeping in mind for the bank to gain the most benefits, however, the Bank will follow the provisions of the commercial banking act, rules, regulations, and other related acts.

The Chairman explained to the meeting that the warrants to purchase common shares in the amount not exceeding 1,000,000 units with maturity not over 7 years requested for approval at this meeting were a type of instruments which the Board of Directors deemed suitable to mobilize the bank's capital funds. The important features of the warrants to purchase common shares appeared in details in the Appendix 6. On the attached document page 1, item 3 which had been sent to the shareholders, there was missing one zero so, the Chairman requested the meeting to make a correction to 1,000,000 units.

The meeting was requested to consider and approve.

The meeting considered and granted permission for the Bank to adopt the issuance and offer the warrants to purchase common shares in the amount not exceeding 1,000,000 units with maturity not over 7 years to be offered and sold to the market with details as follows :

- | | | |
|-------------------------------------|---|--|
| 1. Type of the exercise of warrants | : | The exercise of warrants to purchase common shares of Thai Military Bank Public Company Limited. |
| 2. Maturity | : | 7 years since the exercise of warrants were issued. |
| 3. Number of Offering | : | Not exceeding 1,000,000 Units. |
| 4. Offering par value | : | To be fixed in the future according to |

- the conditions and the market situation at the time of sale or offer for sale at Baht 0.
5. Method of offering : Sell together with non-subordinated debentures of Thai Military Bank to the Preferred Share Subordinated Debentures Thai Military Bank PLC Fund (TMB SUPERCAP)
6. Offering Denomination : The exercise of warrants 1 unit able to buy common shares (the number shall be specified later)
7. Offering Price : 10 baht per ordinary share.
8. Condition and the offering period : The warrant holders shall exercise their rights in purchasing the Bank's common shares at the determined price at one time or in parts at different time. Such right can be exercised continuously on every business day or last day of every month or every quarter or every year until the maturity date of warrants. The notification of right exercise will have to be made at least 15 days prior to the date of right exercise.
9. Number of allocation common share: Not exceeding 50,000,000 common shares calculated to be in the estimated amount of 5% of the bank's total paid-up shares based on the amount of shares issued and paid-up of 1,014,867,600 shares not including the amount of shares reserved for the right exercise not exceeding 30% of the amount of shares issued and paid-up at the present.

10. Redemption of the offering : The Bank shall amend its offering both price and offering denomination in accordance with the calculation method as further specify upon the situation announced by the Securities and Exchange Commission and Stock Exchange of Thailand and / or other relevant authorities. For instance, once, The change of face value has been caused by the combination of share or separation of share or the Bank paid all dividends or partly of new issued share to shareholders or the other case which caused the exercise warrant's holder obtain any worse benefit, etc.
11. The dilution effect : The issuance of the exercise of warrants shall not effect to any shareholder at that time of issuance but it shall have the dilution effect when the exercise of warrants were used. In case the right of all warrants are exercised, the effect to the shareholders would depend on the price of right exercise which would be determined at the time of the warrants' issuance. Therefore, such price is still not finalized. However, in the event that the current paid capital which equivalent to 1,014,867,600 shares, the Bank shall issue new common shares in the amount of 50 million shares which shall cause effect to shareholders' proportion which is all proportion of original shareholder, at that time shall decrease about 5% calculated by all company's shares which is 1,014,867,600 shares

(before the offering), the proportion of the original shareholder is 100% and the amount of the company's share is 1,024,867,600 shares (after the offering), the proportion of the original shareholder is approximately 95%.

12. Secondary market of the exercise:

This exercise of warrants shall not be used to of warrants register in any securities and exchange market.

However, the Board of Directors or any person assigned by the Board of Directors would be authorized to set the amount, the selling price, the time period of sale and payment together with the rules, conditions and details concerning the sale of warrants as deemed appropriate and / or to sell in combination with the subordinated debentures or non-subordinated debentures or any type of debentures or in combination with preferred shares section a by selling the whole amount at one time or in instalments when the suitable opportunities arise and at the appropriate time periods by keeping in mind for the Bank to gain the most benefits, however, the bank will follow the provisions of the Commercial Banking Act, rules, regulations, and other related acts.

Agenda 17 : To consider and give concurrence to matters which are inter related. The Meeting will be requested to consider and give concurrence to matters which are inter-related. As the offer to sell the preferred shares for capital increase to the selected investors which have the characteristics or are included in the 17 types of institutional investors according to the announcement of the Securities and Exchange Commission and the Stock Exchange as mentioned above, the Bank may offer to sell to the major shareholders (shareholders holding more than 10% of the Bank's paid-up capital) in offering to sell shares to the mentioned major shareholders, it is

considered to be inter related according to the regulations of the stock exchange which will require the concurrence of the shareholders' meeting.

However, the concurrence of the matters which are inter-related will require not less than 3/4 of the total votes of the shareholders or proxy holders who attend the meeting and have the right to vote. The votes of the major shareholders who have the interest in the share purchase will not be counted. In this event, the major shareholders who have the interest in the share purchase will not have the right to vote.

The Chairman clarified that the approval of this matter is according to the announcement of the Securities and Exchange Commission and the Stock Exchange as mentioned above. In the case of the Royal Thai Army (RTA) or TV channel 5 Co., Ltd. or person or juristic person holding shares more than 10% of the Bank's paid up capital who wants to purchase preferred shares for capital increase under group A and/or group B. They may do so since it is not against the announcements of Stock Exchange of Thailand.

The Chairman requested the meeting to consider and approve.

The meeting considered and unanimously resolved to adopt and accept other businesses which related to the subject as presented by the Board of Directors. However, the proxy holders of the Royal Thai Army and TV channel 5 Co., Ltd did not vote on this agenda.

Agenda 18 : Other Matters

The Chairman informed the meeting that the Bank of Thailand had specified that the Financial Institutions should report any benefit given to Directors or Executive Officers from the level of First Vice Presidents or the equivalent upwards.

The meeting had been advised accordingly.

The Bank and the subsidiary companies had not given the right to directors and executive officers from the levels of department managers or equivalent upwards to buy or hold shares.

The Bank and the subsidiary companies had no obligations under the employment contracts with directors and executive officers from the levels of department managers or equivalent upwards.

The meeting acknowledged the above.

The Chairman asked whether the shareholders would like to enquire on any matter.

Mr. Termphan Bunnag, a shareholder, informed the meeting that he would like to report to the Chairman of the Board of Directors (the Chairman of the meeting) and the shareholders that there was a senior executive officer of the Bank (name undisclosed) who had acted in unethical manner by making personal gains, persuaded the customers to hand over 100,000 shares in one case and 200,000 shares in another case free of charge, the bank executive officer would advise the customers, who owned many pieces of land, to sell shares in the Stock Market and promised to find buyers for several 100 rais of land. He would request that the company's capital registered by the customers at only Bht. 10 million be increased to Bht. 100 million, part of which would be in the hands of the executive officer of this Bank.

The Chairman requested that Mr. Termphan Bunnag showed the evidence so that he would know who was that executive officer, what he had done in order to conduct an audit and he would not allow any one to reap personal gains. Mr. Bodi Chunnananda, who had been appointed an audit director, would definitely not permit anybody to commit a wrongful act. Therefore, he insisted that Mr. Termphan Bunnag submitted the evidence to him.

One lady handed over the documents to the Chairman and the Chairman in turn, passed them to Mr. Bodi Chunnananda, the Chairman of the Audit Committee.

General Arthit Kamlong-ek, a shareholder, enquired the Board of Directors on 3 matters as follows :

1. What was the difference between the Bank's capital increase and borrowings from the government.
2. Was there any security in raising Tier 1 capital through the Bank's mutual fund. There was confidence in the Bank's issuance of the subordinated debentures.

3. At present, every business must release news to the public. Therefore, the Bank must put more effort in public relations. If the Bank remained silent, the shareholders would lose confidence. The Bank's public relations could be in any form.

General Arthit Kamlong-ek expressed his appreciation to the Board of Directors and the President, who were the main pillars of the shareholders' confidence. They were able to explain clearly with principles. He encouraged them not to be despaired in facing difficulties and not to give up the Bank, otherwise the shareholders would lose confidence.

The Chairman assigned Mr. Thanong Bidaya, President to respond to the enquiries of General Arthit Kamlong-ek.

Mr. Thanong Bidaya, President responded to General Arthit Kamlong-ek's enquiries as follows :

In applying for the financial assistance under the official Tier 1 capital scheme, the Bank would comply with the procedures specified by the government under the 14 August 1998 scheme, which would require the applying bank to reduce the capital which would affect the shareholders. On the Bank's issuance of Super Caps as approved by the shareholders in order to increase the tier I capital, the Bank had acted on its own initiative. At the same time, the Bank had explored several ways to increase the tier I capital, such as if the Bank was able to raise the tier I capital, the government would provide support to our Bank or not. Nevertheless, the method to raise the Bank's tier I capital must not cause any loss of benefits to the shareholders. If the Bank should decide to proceed in anyway, it must request the prior approval from the shareholders.

The issuance of Super Caps through the TMB Mutual Fund was to follow the legal procedures. The TMB Mutual Fund was the vehicle to sell the unit trusts, Super Caps, on behalf of the Bank. There would be a binding contract that all the sale proceeds of the unit trusts could not be used by the Mutual Fund but all of them had to deliver to the Bank immediately. The Mutual Fund would not be able to do anything which was not specified in the contract. The Bank would, in turn, disburse the interests and returns from the unit trusts to the investors of the unit trusts. Therefore, it was assured that the Bank's Super Caps had reliability.

The Bank's public relations would like to explain that the Bank had been performing this duty all along but the foreign investors had received negative information about the Bank. Most of the large-sized banks appointed foreign financial institutions as advisors, which would create attractive images of the banks in the eyes of the investors. However, the small-sized banks would have images inferior to the

actual facts. Therefore, the Bank might also need to have a foreign financial institution as advisor. At the present, the Bank had not yet decided to hire any institution but had begun to contact some of them. The Bank had already prepared a complete and factual information to be scrutinized by the foreign investors in order to be transparent and to create confidence to the shareholders. Currently, the Bank received more confidence from the investors as evident in the Bank's rising share price. However, the suggestion was appreciated and useful and it would be implemented accordingly.

A shareholder enquired when would the Super Caps be sold.

Mr. Thanong Bidaya explained that the Bank had to wait for the approval from the Securities and Exchange Commission. He expected that the approval from the Securities and Exchange Commission would be obtained around the middle of May 1999.

A shareholder enquired whether the Bank's subordinated debentures could be included in the capital fund or not. If they could become capital fund, in which tier they would be included.

Mr. Thanong Bidaya, President pointed out that the fund from subordinated debentures could not be included in the Bank's capital fund.

No other shareholders raised any question. The Chairman declared the meeting closed.

The meeting closed at 16.45 hours.

Signed General Wimol Wongwanich
Chairman of the Meeting

Signed Mr. Somphote Passherat
Assistant Secretary to the Board
of Director and Minute Taker