

**-TRANSLATION-**

**TISCO FINANCIAL GROUP PUBLIC COMPANY LIMITED (“TISCO”)**

**MINUTES**

**THE SHAREHOLDER ORDINARY GENERAL MEETING  
FOR THE YEAR 2010**

The meeting was convened in the Queen's Park 1-2, 2<sup>nd</sup> floor, The Imperial Queen's Park Hotel, No. 199 Sukhumvit Road Soi 22, Bangkok, on April 29<sup>th</sup>, 2010, at 13.30 hours.

The directors, Management Committee and auditors presented at the meeting were:

**Directors**

- |  |   |
|--|---|
| 1. Dr. Phisit Pakkasem                   | Chairman of the Board and Independent Director  |
| 2. Mr. Pliu Mangkornkanok                | Chairman of the Executive Board, and Group Chief Executive Officer (Group CEO)        |
| 3. Ms. Krisna Theravuthi                 | Chairperson of the Nomination and Compensation Committee and Independent Director     |
| 4. Assoc. Prof. Dr. Angkarat Priebjrivat | Chairperson of the Audit Committee and Independent Director                           |
| 5. Ms. Panada Kanokwat                   | Member of the Audit Committee and Independent Director                                |
| 6. Prof. Dr. Pranee Tinakorn             | Member of the Audit Committee and Independent Director                                |
| 7. Dr. Nitus Patrayotin                  | Independent Director  |
| 8. Mr. Hirohiko Nomura                   | Member of the Executive Board and Member of the Nomination and Compensation Committee |
| 9. Ms. Oranuch Apisaksirikul             | Member of the Executive Board, and President  |
| 10. Mr. Suthas Ruangmanamongkol          | Member of the Executive Board, and President of TISCO Bank Public Company Limited     |

## **Management Committee**

(\* positions seconded to manage in subsidiary companies)

1. Mr. Sakchai Peechapat Senior Executive Vice President  
(\* Senior Executive Vice President - Marketing and Customer Relations, TISCO Bank Public Company Limited)
2. Mr. Metha Pingsuthiwong First Executive Vice President  
(\* First Executive Vice President – Banking Service, TISCO Bank Public Company Limited)
3. Ms. Araya Thirakomen First Executive Vice President  
(\* President - TISCO Asset Management Company Limited)
4. Mr. Paiboon Nalinthrangkurn First Executive Vice President  
(\* Chief Executive Officer, TISCO Securities Company Limited)
5. Ms. Yutiga Sonthayanavin Executive Vice President  
(\* Managing Director, TISCO Information Technology Company Limited)
6. Mr. Chalit Silpsrikul Executive Vice President  
(\* Executive Vice President – Retail Banking, TISCO Bank Public Company Limited)
7. Mr. Chatri Chandrangam Executive Vice President – Risk and Financial Control

## **Auditors**

1. Mr. Supachai Phanyawattano Ernst & Young Office Limited
2. Ms. Waraporn Prapasirikul Ernst & Young Office Limited

There are also representatives from Bank of Thailand observed the meeting.

Dr. Phisit Pakkasem, Chairman of the Board of Directors, chaired the meeting and thanked the shareholders for attending. He stated that notice of the Shareholder Ordinary General Meeting for the year 2010 had been duly sent out before the date of the meeting, in compliance with TISCO's Articles of Association and other relevant laws. In addition, TISCO had publicly informed shareholders of the meeting's agenda on March 26, 2010 through the dissemination channels of the Stock Exchange of Thailand (SET) and on TISCO's website to allow adequate time to study meeting material.

The Chairman also informed the meeting that TISCO had allowed a timeframe from November 1-30, 2009 for all shareholders to propose any matter which they may deem significant and appropriate to be included on the agenda of the ordinary general meeting. However, no shareholders proposed any matters to be included as meeting agenda.

The Chairman noted that 597 shareholders holding 456,640,665 shares, or 62.82% of the total

paid-up shares, were present, either personally or by proxy, thereby constituting a quorum as specified in TISCO's Articles of Association. The Chairman declared the meeting duly convened and invited Mr. Pliu Mangkornkanok, the Group CEO, to conduct the meeting.

The Group CEO informed the meeting that in accordance with TISCO's Articles of Association regarding voting, every shareholder present in person or being represented by proxy is entitled to one vote per share, with the exception of voting for the appointment of directors. For this specific agenda, TISCO has implemented cumulative voting. In addition to accommodate shareholders in voting, shareholders could cast their votes in advance by completing the details of voting on the Registration and Voting Form which had been sent out together with notices of shareholders' meeting. For those who intended to vote at the meeting, TISCO had made voting forms available prior to the meeting. He added that shareholders who had not cast their votes in advance and intended to vote "Against", "Abstain", or split the votes (in case of foreign shareholder with custodian in Thailand) on any of the agenda items could complete the voting forms, and then submit them to Company's officer to calculate the voting result for each agenda. For cases in which shareholders have appointed a proxy and assigned their proxy to vote as directed, their votes would be recorded in the computer system for calculation on each agenda item.

The Group CEO also informed the meeting that for shareholders, who wished to leave the meeting before the meeting adjourned, shall return "Certificate of Registration" and unused "Voting Form" (if any) to the Company's officer at the entrance of the meeting room.

In addition, TISCO assigned Ernst & Young Office Limited to monitor and oversee the shareholder meeting in order to ensure transparency and compliance with the law and TISCO's Articles of Association. Ernst & Young Office Limited assigned officers as an observer to the registration and vote counting during the meeting.

The Group CEO proposed that the meeting consider the following agenda:

**Agenda 1: To certify the Minutes of the Shareholder Ordinary General Meeting for the year 2009**

The Group CEO proposed that the meeting certify the Minutes of the Shareholder Ordinary General Meeting for the year 2009, convened on April 24, 2009. Copies of the minutes had been sent to shareholders along with the Notice of this meeting.

No shareholder objected or requested that the minutes be amended otherwise. The meeting considered the matter and cast votes.

**Resolution:** The shareholders **approved** the Minutes of the Shareholder Ordinary general Meeting for the year 2009 as proposed,

with the votes of not less than three quarters of the total number of votes of the shareholders who attended the meeting and had the right to vote as presented below:

	<b>Votes</b>	<b>%</b>
• For	451,207,522	96.97
• Against	0	0.00
• Abstain	14,112,501	3.03
• Void	0	0.00

**Agenda 2: To ratify the Board of Directors' business activities conducted in 2009 as described in the Annual Report**

The Group CEO proposed that the meeting ratify the Board of Directors' business activities conducted in 2009 as described in the Annual Report, which had been sent to shareholders along with the Notice of this meeting.

Mr. Aroon Niramolparadee, a shareholder, asked and the Management explained the issue as follows;

- *The objective of business acquisition of Primus Leasing Company Limited ("Primus") and the reason for dissolution of Primus within short period after the date of acquisition.*

The Group CEO clarified that, the acquisition of Primus was carried out with objective in expanding hire purchase business. However, it was the condition of the former shareholders to sell the whole company. TISCO therefore acquired 100% stakes in Primus, transferred hire-purchase receivables to TISCO Bank Plc. ("TISCO Bank") and transferred all employees to the companies within TISCO Group, then proceeding on the dissolution of Primus.

Furthermore, the President added that the business combination between Primus and TISCO Bank would result in increasing business efficiency, reducing the operating cost and promoting business continuity, as TISCO Bank also operates in the hire purchase business. In addition, after the transfer of assets and employees of Primus was completed, the Company has been entering the liquidation process as planned.

- *Was the exceptional performance of funds under management of TISCO Group in 2009 resulted from the transfer of investment at low price during the period of holding company restructuring plan as specified in notice of the Shareholder Ordinary General Meeting 2009, page 24?*

The Group CEO explained that the exceptional performance of funds under management as specified in report from the Board of Directors was the fund under management by TISCO Asset Management Co., Ltd., who provides service to general clients. Such fund management was operated independently from intervention by TISCO management and totally separated from proprietary investment of TISCO Group. During the period of holding company restructuring as specified in the Minutes of the Shareholder Ordinary General Meeting for the Year 2009, TISCO Group transferred proprietary investment within the group, not related to the abovementioned funds.

The President further explained that during the economic crisis, TISCO Group decided to dispose some portion of illiquid securities, and hold some securities whose price had potential to improve in the future. At present, TISCO Group recorded gain from such investment.

- *Rationale for the decline in net profit margin ratio from 32.2% in 2008 to 27.2% in 2009 as specified in Annual Review 2009, page 80 and Annual Report 2009 page 11-8.*

The President explained that the decline in net profit margin was due to the set up of 100% reserve for foreclosed properties amounting approximately 500 million Baht, higher than

requirement of the authority under prudent business practice in order to reserve for future uncertainties. Presently, some of foreclosed properties were disposed with profits.

- *Rationale for the increase of non-accrued loans to total loans ratio from 3.7% in 2008 to 4.0% in 2009*

The President clarified that the change in non-accrued loans is calculated according to the income recognition policy of TISCO Group which was more stringent than Bank of Thailand's guideline. TISCO Group stops accruing interest income for retail loans when the payments are overdue for more than three months, and one month for commercial loan. The ratio may be fluctuated due to the restructuring of problem loan and the compliance of law. In addition, the Non-Performing Loan (NPL) ratio would be more relevant when considering loan quality, in which NPL ratio continued to decline from 4.3 % in 2007 to 2.9% and 2.5% in 2008 and 2009, respectively.

- *Explanation on capital adequacy ratio*

The President explained that, in general, commercial banks considered maintaining capital fund to ensure the adequacy of the fund to cushion against potential loss based on their assets. Capital fund comprises of Tier I Capital, mainly are paid-up shares and retained earnings, and Tier II Capital, which mainly is long-term subordinated debentures. Nonetheless, subordinated debentured classified as a capital, is limited to not more than half of Tier I Capital. During suitable interest rate situation in the past year, TISCO Bank has issued 4,000 million baht of subordinated debentures to strengthen capital position. Additionally, the capital adequacy has been improved from the Bank transition to the advance capital framework under Basel II – Internal Rating Based (IRB) which reflecting overall risk being taken by the Bank at low level, thereby improving capital adequacy position.

Mr. Chadchai Kunngarm, a shareholder, complimented for the success of branch expansion of TISCO Bank and diversification to retail customers of TISCO Group resulting in increasing portion of savings accounts. He further remarked and asked the followings:

- *TISCO Bank fees are relatively high which may reduce TISCO Bank competitive edge. Suggestion was made that the branch manager should have authority to waive banking fees as appropriate, e.g. banking book replacement fees in case that the old banking book was stolen.*

The Group CEO informed that, for equal treatment to all customers, TISCO Bank employees shall strictly follow the bank rules and policies.

- *Gain/loss on investment portfolio compared with previous year and impact to interest rate spread of TISCO Bank as the analyst expected that the Bank of Thailand would raise the policy rate during quarter 3-4 of this year.*

The Group CEO informed that return on proprietary investment improved from loss in 2008, to gain at present. For the impact to interest rate spread, if the interest rate rises, it will reduce the level of interest rate spread. However, the impact to TISCO is considered trivial. In addition, TISCO has regularly prepared for the impact of business fluctuation. It is evident from the setup of reserve which was higher than requirement of the authority, as clarified by the President including the diversification of large deposit concentration.

Mr. Sakchai Tirathanapiboon, a shareholder, inquired about the action plan amidst current political situation.

The Group CEO clarified that TISCO Group has activated the Business Continuity Plan (BCP) relocating of employee in some departments to secondary office to ensure continuity of services, with consideration on safety and convenience of customers and employees. TISCO also emphasizes in communication with all stakeholders, and regularly informs customers about relocation or contact points of TISCO. Despite three branches have been temporarily closed, there has been a slight impact from such situation to TISCO.

Mr. Rittichai Yibcharoenporn, a shareholder, asked and management explained on the following issues:

- *Detail of risk management framework for hire purchase loan which was considered high risk and the largest portion of TISCO Group's loan portfolio.*

The Group CEO explained that risk management framework is developed under Basel II framework which allow TISCO Bank to assess required capital based on risk being taken and also more effective comparing with fixed capital requirement under previous framework. Besides, it allows the Bank to assess hire-purchase's risk and potential loss through the accurate credit scoring system before loan approval.

- *Business direction in the future of TISCO Group*

The Group CEO explained that corporate loans currently represented larger portion of TISCO loan portfolio as TISCO Group assessed that domestic economy has shown sign of recovery. TISCO Group's strategy will consider business trend, and return on investment under acceptable risk level.

The meeting considered the matter and cast votes.

**Resolution:** The shareholders **ratified** the Board of Directors' business activities conducted in 2009 as described in the Annual Report as proposed,

with the votes of not less than three quarters of the total number of votes of the shareholders who attended the meeting and had the right to vote as presented below:

	<u>Votes</u>	<u>%</u>
• For	459,438,125	97.02
• Against	1	0.00
• Abstain	14,114,500	2.98
• Void	0	0.00

**Agenda 3: To adopt TISCO Financial Group Public Company Limited and its subsidiary companies' Balance Sheets and Profit and Loss Statements for the year ended December 31, 2009**

The Group CEO proposed that the meeting adopt TISCO Financial Group Public Company Limited and its subsidiary companies' Balance Sheets and Profit and Loss Statements for the year ended December 31, 2009. The Audit Committee agreed with the auditor that the Balance Sheets and Profit and Loss Statements presented fair and comprehensive performance and financial position of TISCO. Details were published in the Annual Report, which had been sent to shareholders along with the Notice of this meeting. The Group CEO invited the President to summarize the details of the financial statements.

The President presented the meeting with a detail and an analysis of the Balance Sheets and Profit and Loss Statements.

The meeting considered the matter and cast votes.

**Resolution:** The shareholders **adopted** TISCO Financial Group Public Company Limited and its subsidiary companies' Balance Sheets and Profit and Loss Statements for the year ended December 31, 2009 as proposed,

with the votes of not less than three quarters of the total number of votes of the shareholders who attended the meeting and had the right to vote as presented below:

	<u>Votes</u>	<u>%</u>
• For	459,293,325	96.99
• Against	1	0.00
• Abstain	14,264,500	3.01
• Void	0	0.00

**Agenda 4: To approve the appropriation of profit arising from year 2009 operations for dividend, statutory reserve and others**

The Group CEO proposed that the meeting approve the appropriation of profit arising from year 2009 operations for dividend, statutory reserve and others. The Group CEO invited the President to summarize details of this agenda.

The President reported that in compliance with the Public Company Limited Act B.E. 2535, TISCO shall appropriate 5% of its annual net profit as statutory reserve until this fund attains an amount of 10% of its registered capital. Thus, TISCO appropriated 119,800,000 Baht as statutory reserve in 2009. Consequently, the remaining unappropriated retained earnings available for the dividend payment was detailed as follows:

	Baht
Beginning Unappropriated Retained Earnings	(3,820,319)
Net Profit for year 2009	2,394,289,360
Annual dividend payment from Group profit arising from year 2008 operations	(908,205,731)
Required Statutory Reserve	(119,800,000)
<b>Unappropriated Retained Earnings available for dividend payment for year 2009</b>	<b>1,362,463,310</b>
Interim dividend payment from profit arising from the first half of 2009 operations	(453,859,166)
<b>Unappropriated Retained Earnings for year ended 2009</b>	<b>908,604,144</b>

Total unappropriated retained earnings available for dividend payment for the year ended 2009 was 1,362,463,310 Baht. TISCO already paid interim dividend from profit arising from the first half of 2009 of 453,859,166 Baht on July 13, 2009, the remaining unappropriated retained earnings available for the last dividend payment was therefore 908,604,144 Baht.

TISCO had a policy to pay dividend at the appropriate rate based on operating performance of the group while also maintaining sufficient Capital Adequacy Ratio (BIS Ratio) for group business expansion. The Board therefore recommended the shareholders to approve the last dividend payment from the remaining net profit arising from year 2009 operations at 1.24 Baht per share for common shareholders and preferred shareholders. The proposed dividend payment amount would be approximately 902,000,000 Baht. Together with the interim payment from the first half of the 2009 operations, the total dividend payment from year 2009 operations would be 1,355,859,166 Baht, equivalent to dividend payout ratio of 68.2% on consolidated basis, compared to dividend payout ratio of 53.0% for year 2008. The dividend payment was in accordance with TISCO dividend policy at the rate of 50% - 100% of net profit, depending on the financial performance, capital adequacy and future business expansion of TISCO. The remaining net profit from year 2009, on consolidated basis, would be appropriated as capital fund.

The meeting considered the matter and cast votes.

**Resolution:** The shareholders resolved the followings as proposed;

- **Acknowledged** the interim dividend payment from profit arising from the first half of 2009 operations at 0.50 Baht per share for common shareholders and 1.00 Baht per share for preferred shareholders, amounted to 453,859,166 Baht paid on July 13, 2009;
- **Approved** the appropriation of profit arising from year 2009 operations of 119,800,000 Baht as statutory reserve;
- **Approved** the appropriation of remaining profit arising from year 2009 operations after statutory reserve as the last dividend payment from 2009 profit for common and preferred shareholders at 1.24 Baht per share;

- The shareholders whose names are shown in the registration book as of May 11, 2010 will be entitled to receive the dividend;
- Dividend payment shall be made on May 27, 2010; and
- **Approved** the appropriation of remaining net profit arising from year 2009 operations after statutory reserve and dividend payment, as capital fund according to the Consolidated Supervision guidelines.

with the votes of not less than three quarters of the total number of votes of the shareholders who attended the meeting and had the right to vote as presented below:

	<u>Votes</u>	<u>%</u>
• For	459,446,325	97.02
• Against	1	0.00
• Abstain	14,112,500	2.98
• Void	0	0.00

<b>Agenda 5: To approve the number of directors and the appointment of directors</b>
--

The Group CEO informed the meeting that since the agenda 5 and 6 were matters relating to directors, all directors would volunteer to leave the meeting in the interests of good corporate governance. He proposed the meeting elect a shareholder to conduct the meeting for the agenda 5 and 6.

The meeting selected Dr. Suwan Valaisathien, a shareholder, to conduct the meeting during the agenda 5 and 6.

Dr. Suwan Valaisathien informed the meeting that according to TISCO's Articles of Association, the whole board of directors shall be simultaneously elected at the general meeting of shareholders of each year. Thus, the current Board of Directors was due to retire today.

He further added that consideration of this agenda would be divided into 2 sections, (1) To approve the number of directors and (2) To approve the appointment of directors.

Pursuant to TISCO's Articles of Association, the shareholders shall, from time to time by resolution of a general meeting, determine the number of directors which shall not be less than 5, provided that not less than one half of the directors must domicile in Thailand. In addition, the number of directors who are persons of Thai nationality shall be in compliance with related laws, which shall not be less than three-fourths of the total number of directors.

The Board of Directors, therefore, with recommendations from the Nomination and Compensation Committee, considered the appropriate number of directors for good corporate governance. The qualifications and benefits that each candidate might bring were also considered upon contemplating TISCO's needs, the most suitable board size and composition. The Board therefore proposed that the shareholders approve the number of directors at 12.

Dr. Suwan proposed that the meeting approve the number of board members and informed the meeting that shareholders, present in person or represented by proxy, were entitled to one vote per share.

Dr. Suwan further informed the meeting that TISCO's Articles of Association required cumulative voting for the appointment of directors. This mechanism would increase the opportunity for minority shareholders to nominate persons to become TISCO directors. He further explained details of Cumulative Voting to the meeting.

In addition to those restricted by laws, the Nomination and Compensation Committee, assigned by the Company's Board of Directors, identified and proposed qualified nominees for director positions as deemed appropriated to ensure the suitable size and composition of the board of directors. TISCO had allowed time frame during November 1-30, 2009 for all shareholders to propose qualified candidate for director position in advance of the Shareholders Ordinary General Meeting for the year 2010. No shareholder has proposed candidates for director position within the mentioned period.

The Nomination and Compensation Committee shall select qualified candidates by considering their knowledge, experiences, sufficient understanding of finance and banking, economics, law or any other related fields based upon the Company's needs and maximize interest, Corporate Governance, laws and relevant rules and regulations for the most appropriate size and composition of the board.

In addition, a person to be nominated or appointed as an independent director must meet the requirements in TISCO Corporate Governance Policy and Guideline, which were more stringent than those of the SEC and SET and shall not be related to the Company, other companies in TISCO Group, and management in the manner that may cause conflict of interest.

The Board of Directors, after considering the Nomination and Compensation Committee's recommendation on the qualifications of the candidates, proposed the shareholder to approve the appointment of the following qualified candidates as the Company's directors. Candidates' profiles were presented in the notice which had been sent to shareholders.

<b>Name</b>	<b>Position</b>
1. Dr. Phisit Pakkasem	Independent Director
2. Mr. Pliu Mangkornkanok	Director
3. Ms. Krisna Theravuthi	Independent Director
4. Assoc. Prof. Dr. Angkarat Priebjrivat	Independent Director
5. Ms. Panada Kanokwat	Independent Director
6. Prof. Dr. Pranee Tinakorn	Independent Director
7. Dr. Nitus Patrayotin	Independent Director
8. Mr. Hon Kit Shing (Mr. Alexander H. Shing)	Director
9. Mr. Danny Suen Kam Yim	Director
10. Mr. Hirohiko Nomura	Director
11. Ms. Oranuch Apisaksirikul	Director
12. Mr. Suthas Ruangmanamongkol	Director

Dr. Suwan requested that every shareholder who did not cast votes in advance to complete the voting forms and submit them to TISCO's officers to calculate voting results.

The meeting considered the matter and cast votes.

**Resolution:** The shareholders **approved** the number of directors at 12 as proposed,

with the votes of not less than three quarters of the total number of votes of the shareholders who attended the meeting and had the right to vote as presented below:

	<u>Votes</u>	<u>%</u>
• For	427,102,685	90.19
• Against	30,651,741	6.47
• Abstain	15,809,400	3.34
• Void	0	0.00

The shareholders also **approved** the appointment of the following candidates as TISCO's directors as proposed,

with the votes of the shareholders who attended the meeting as presented below:

<u>Name</u>	<u>For (votes)</u>	<u>Against (votes)</u>
1. Dr. Phisit Pakkasem	382,160,171	64,648,401
2. Mr. Pliu Mangkornkanok	383,259,472	18,852,300
3. Ms. Krisna Theravuthi	381,859,771	19,892,001
4. Assoc. Prof. Dr. Angkarat Priebjriwat	382,905,672	18,853,300
5. Ms. Panada Kanokwat	382,899,871	18,852,301
6. Prof. Dr. Pranee Tinakorn	382,899,871	18,852,301
7. Dr. Nitus Patrayotin	382,849,871	18,852,301
8. Mr. Hon Kit Shing (Mr. Alexander H. Shing)	687,290,943	19,196,549
9. Mr. Danny Suen Kam Yim	687,634,791	18,852,701
10. Mr. Hirohiko Nomura	382,505,623	19,196,149
11. Ms. Oranuch Apisaksirikul	382,849,871	18,852,301
12. Mr. Suthas Ruangmanamongkol	382,849,871	18,852,301
TOTAL	5,201,965,798	273,752,906
	Abstain (votes)	183,445,200
	Void (votes)	23,602,008

**Agenda 6: To approve the directors' remuneration and acknowledge current directors' remuneration**

Dr. Suwan Valaisathien informed the meeting that on April 24, 2009, the Shareholder Ordinary General Meeting for the year 2009 approved the annual directors' remuneration in the form of reward, meeting fee, monthly fee, and bonus at the amount of not greater than 1,200,000 Baht for the Chairman of the board and not greater than 500,000 Baht for the board members, provided that the amount of such remuneration so determined shall be valid until amended. The Board of Directors, under the authority delegated by the shareholders, will determine appropriate amount and the exact amount to be paid each time. Besides, the directors are entitled to receive other remuneration or benefits paid for other appointments or special assignments from the Board of Directors.

According to TISCO's Articles of Association, the Board of Directors may assign a director or directors to conduct businesses on behalf of the Board of Directors. In this capacity, the remuneration to be paid to such director or directors in conducting business so assigned, shall be determined by the Board of Directors. Duties and responsibilities of board members who are assigned to other committees are detailed in the Annual Report.

Dr. Suwan Valaisathien informed the details of current director remuneration as shown below:

	Remuneration	
	Monthly Fee (Baht/Month)	Meeting Fee (Baht/Meeting)
<b>Board of Directors</b>		
Chairman	60,000	15,000 <sup>/1</sup>
Ordinary Member	25,000	15,000 <sup>/1</sup>
<b>Audit Committee</b>		
Chairperson	50,000	-
Ordinary Member	40,000	-
<b>Nomination and Compensation Committee</b>		
Chairperson	-	25,000
Ordinary Member	-	15,000
<b>Executive Board</b>		
Chairman	40,000	-
Ordinary Member	35,000	-

<sup>/1</sup> Only the ordinary board members who are not members in the Audit Committee, the Executive Board and the Nomination and Compensation Committee.

The Nomination and Compensation Committee had made an annual review of the directors' remuneration to ensure that remuneration is commensurate with their duties and responsibilities. The scale and components of remuneration for directors should be appealing enough to attract and retain quality directors, but avoid excessive pay. Remuneration for non-executive directors should be comparable to industry general practices with regard to work experience and commitment, as well as the benefits each director brings.

The Board, with the recommendation from the Nomination and Compensation Committee, recommended that shareholders approve the current rate of annual directors' remuneration to be valid until amended.



Any one of these auditors is authorized to certify the auditor's report.

All the above auditors have not been in service for TISCO for more than 3 consecutive years. Auditors' profiles were presented in page 91-93 of the Notice.

In addition, to apply the same standard to financial statements of all companies in TISCO Group, Ernst & Young Office Limited shall also be appointed as auditor for 7 subsidiary companies with total remuneration of 6,100,000 Baht.

The reason for the proposed increase of TISCO Group's total audit fee for the year 2010 by 100,000 Baht compared to the previous year was inflation and increase in business activities.

The meeting considered the matter and cast votes.

**Resolution:** The shareholders **approved** the appointment of the following auditors of Ernst & Young Office Limited, with total remuneration of not exceeding 500,000 Baht, as the Company's auditors for the year 2010, subject to the approval from the Bank of Thailand;

- Ms. Ratana Jala CPA License No. 3734,
- Ms. Siraporn Ouaanunkun CPA License No. 3844, and
- Ms. Rungnapa Lertsuwankul CPA License No. 3516

Any one of these auditors is authorized to certify the auditor's report,

with the votes of not less than three quarters of the total number of votes of the shareholders who attended the meeting and had the right to vote as presented below:

	<u>Votes</u>	<u>%</u>
• For	451,193,922	96.96
• Against	3,601	0.00
• Abstain	14,132,500	3.04
• Void	0	0.00

<b>Agenda 8: To acknowledge the progress of TISCO Bank Public Company Limited shares acquisition and approve related matters</b>
--

The Group CEO proposed that the meeting acknowledge the progress of TISCO Bank Public Company Limited shares acquisition and consider related matters. The Group CEO invited the President to summarize the agenda to the meeting.

The President reported that, reference was made to the completion of the Holding Company Restructure in early 2009, the Company purchased 99.51% of TISCO Bank Public Company Limited ("TISCO Bank") paid-up capital by swapping into the Company's shares. Furthermore, the shareholders approved the acquisition of the remaining 0.49% of TISCO Bank shares from minority shareholders with the conditions that the swap price or the cash purchase price shall not exceed the book value of TISCO Bank adjusted for dividend payment from 2008 profit.

Presently, the Company holds 99.97% of TISCO Bank paid-up capital. As the result, there were remaining 225,788 shares of TISCO Bank held by minority shareholders. Thus, the Board of Directors recommended the shareholders to approve the Company to continue to acquire remaining TISCO Bank shares on best effort basis with the conditions that the swap price or cash purchase price shall not exceed the book value of TISCO Bank with the maximum price of 18.10 Baht per share. Shareholders were also proposed to approve the delegation of authority to the Board of Directors to carry out shares allotment (if required), determine the price, terms and conditions and other methods to acquire the shares as appropriate.

The meeting considered the matter and cast votes.

**Resolution:** The shareholders resolved the followings;

- **acknowledged** the progress of TISCO Bank Public Company Limited shares acquisition;
- **approved** the Company to continue acquiring shares of TISCO Bank Public Company Limited on the best effort basis with the conditions that the swap price or the cash purchase price shall not exceed the book value of TISCO Bank Public Company Limited with the maximum price of 18.10 Baht per share; and the delegation of the authority to the Board of Directors to carry out shares allotment (if required), determine the price, terms and conditions, and other methods as appropriate.

with the votes of not less than three quarters of the total number of votes of the shareholders who attended the meeting and had the right to vote as presented below:

	<u>Votes</u>	<u>%</u>
• For	459,450,825	97.02
• Against	0	0.00
• Abstain	14,120,501	2.98
• Void	0	0.00

**Agenda 9: To acknowledge the Company’s voting direction at the Shareholders Ordinary General Meeting for year 2010 of TISCO Bank Public Company Limited**

The Group CEO informed the meeting that reference was made to the Shareholders Ordinary General Meeting for the year 2010 of TISCO Bank to be held at 16.00 hours on the same day. For good governance and transparency, it was therefore propose shareholders to acknowledge TISCO’s voting direction at the said meeting. The Group CEO invited the President to provide details to the shareholders. The President informed the meeting TISCO’s voting direction at TISCO Bank’s Shareholders Ordinary General Meeting for the year 2010 as follows:

1. Certify the Minutes of the Shareholders Ordinary General Meeting for the year 2009
2. Ratify the Board of Directors’ business activities conducted in 2009 as described in the 2009 Annual Report.



Mr. Chadchai Kunngarm, a shareholder, inquired on the rationale that TISCO preferred shares remained listed status on the Stock Exchange of Thailand and expressed his compliment to the Company for the delivery of the notice of changing the venue of this Shareholders Ordinary General Meeting via express mail so that the information was widely acknowledged by shareholders.

The President explained that TISCO preferred shares still remained listed status on the SET. However, the preferential rights of the preferred shares were expired on June 30, 2009. Thus, since July 1, 2009, the rights and benefits of preferred shares were equal to those of common shares in all aspects.

Mr. Aroon Niramolparadee, a shareholder, asked management to clarify on the share acquisition of TISCO Bank whether the process was considered as “treasury stock” or not.

The President clarified that the share acquisition was considered as the Company’s investment, not “treasury stock” as TISCO shall purchase TISCO Bank shares, not its own shares. Thus, this share acquisition scheme shall not lead to possible capital reduction under the treasury stock procedures.

There being no other issues, the Chairman thanked the shareholders for attending and adjourned the meeting at 15.50 hours.

Phisit Pakkasem  
(Dr. Phisit Pakkasem)  
Chairman of the Board

Pliu Mangkornkanok  
(Mr. Pliu Mangkornkanok)  
Group Chief Executive Officer