

BANK BRADESCO
Form 6-K
May 27, 2003

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 UNDER THE
SECURITIES EXCHANGE ACT OF 1934**

For the month of May, 2003

Commission File Number 1-15250

BANCO BRADESCO S.A.
(Exact name of registrant as specified in its charter)

BANK BRADESCO
(Translation of Registrant's name into English)

**Cidade de Deus, s/n, Vila Yara
06029-900 - Osasco - SP
Federative Republic of Brazil**
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

Edgar Filing: BANK BRADESCO - Form 6-K

BBV Banco

Relevant Notice Joint Communiqué

Banco Bradesco S.A. (Bradesco) - registered with the National Corporate Taxpayers' Registry under CNPJ 60.746.948/0001-12, and Banco Bilbao Vizcaya Argentaria Brasil S.A. (BBV Banco) - CNPJ 33.870.163/0001-84, communicate to the market, to their stockholders and clients that on 5/21/2003, the Brazilian Central Bank approved the transfer of the share control of BBV Banco to Bradesco, and in compliance with the provisions of CVM Instruction 319, of 12/3/1999, inform that the absorption of the stocks of the stockholders of BBV Banco by Bradesco will be proposed in Special Stockholders' Meetings of the Companies, to be held on June 9, 2003, in conformity with the provisions of Articles 224, 225 and 252 of Law 6404/76, pursuant to the Instrument of Entry and Justification signed on this date.

Once authorized, the operation will have the following characteristics:

1. Aim to attain better levels of competitiveness and productivity, in view of the growing globalization of the corporate activity, especially in the financial sector, increasing the synergies that exist between the two institutions;
2. It will be accomplished by means of: a) the acquisition by Bradesco of 4,631,991,278 stocks issued by BBV Banco and held by Banco Bilbao Vizcaya Argentaria, S.A (BBVA), of which 1,523,283,014 are common and 3,108,708,264 preferred stocks, representing 49% of the common capital and 99.99% of the preferred capital, in the amount of R\$1,849,970,549.00; b) the absorption by Bradesco of the remaining stocks issued by BBV Banco, in the amount established in letter "a" of item "8";
3. It will result in the transfer to Bradesco, as the subscription of the capital increase arising from the absorption of stocks, of 1,585,490,409 nominative-book entry stocks with no nominal value, of which 1,585,457,830 are common and 32,579 preferred stocks, issued by BBV Banco, representing 51% of its common capital and 25.50% of its total capital, hence converting BBV Banco into a wholly-owned subsidiary of Bradesco, under the terms of Article 252 of Law 6404/76;
4. Cost of approximately R\$6 million;
5. To take place on 6/9/2003;
6. In accordance with the specific Balance Sheets of the Companies, surveyed on 3.31.2003, the following Book Values of Stockholders' Equity were determined: BBV Banco - R\$2,584,692,686.24; and Bradesco - R\$11,707,743,139.86;
7. The stockholders of BBV Banco will be attributed 70,431,409,114 new nominative-book entry stocks with no nominal value, 35,482,189,407 of which are common and 34,949,219,707 preferred stocks, representing the capital of Bradesco. For each stock of BBV Banco, 44.422475667 stocks of Bradesco will be attributed, of which 22.379315072 are common and 22.043160595 preferred stocks, in order to maintain the same proportion of common and preferred stocks that currently exist in the capital of Bradesco;
8. the following criteria have been adopted for purposes of determining the share substitution ratio:

Edgar Filing: BANK BRADESCO - Form 6-K

- a) the amount of R\$630,000,000.00 was attributed to the 1,585,490,409 stocks of BBV Banco, subject to transfer to Bradesco, equivalent to R\$0.397353397 per stock, with a basis on the economic value and as agreed on by the parties;
- b) the amount of R\$630,000,000.00 was attributed to the 70,431,409,114 stocks to be issued at Bradesco, equivalent to R\$8.944872862 per batch of a thousand stocks (market value upon the negotiation of the operation, in December 2002), and to 1.157822618 times its book value on 3/31/2003;
9. the stocks to be issued at Bradesco and attributed to the stockholders of BBV Banco will have the following rights and advantages: Common - voting right; Preferred - without voting right; priority in the redemption of capital, in the event of dissolution of the company; dividends and/or interest on own capital ten percent (10%) higher than those attributed to common stocks;
10. there will be an increase in the capital of Bradesco in the amount of R\$630,000,000.00, by means of the issuance of 70,431,409,114 nominative-book entry stocks, with no nominal value, of which 35,482,189,407 are common stocks and 34,949,219,707 preferred stocks, to be attributed to the stockholders of BBV Banco, in the proportion established in item "7";
11. the capital of Bradesco will be R\$6,930,000,000,00, divided into 1,585,879,423,300 nominative-book entry stocks of no nominal value, of which 798,940,057,872 are common and 786,939,365,428 preferred stocks;
12. the fractions of stocks issued by Bradesco, as a result of the capital increase and not attributed to the stockholders of BBV Banco, will be grouped and sold at the São Paulo Stock Exchange at market price, and the calculated amount credited in the Capital Reserve account of Bradesco, for use in a future capital increase, benefiting all the stockholders indistinctly, in view of the high operating cost of their distribution and the insignificant amount that these surpluses would represent to each stockholder;
13. the stockholders of BBV Banco, holders of common and preferred stocks, and those of Bradesco, holders of common stocks, are reserved the right to withdraw from the Companies, under the terms of Articles 137, 230 and 252 of Law 6404/76, through the reimbursement of the book value of R\$415.713759422 per batch of a thousand stocks for the stockholders of BBV Banco, and of R\$7.725598655 per batch of a thousand stocks for those of Bradesco;
14. the stocks of Bradesco, to be attributed to the stockholders of BBV Banco, will be fully entitled to monthly dividends and/or interest on own capital declared as of the month in which the respective process is approved by the Brazilian Central bank. They will also be fully entitled to any advantages attributed to the other stocks as of the month in which the aforementioned approval takes place;
15. the appraisals of the Stockholders' Equity of the Companies and of the Stocks of BBV Banco were carried out as follows:
 - a) at carrying value, with a basis on the Balance Sheets examined by the Companies on 3/31/2003, duly audited by KPMG Auditores Independentes;
 - b) at economic value of BBV Banco, on 3/31/2003, by Deloitte Touche Tohmatsu Consultores S/C Ltda.;

Edgar Filing: BANK BRADESCO - Form 6-K

16. A Stockholders' Agreement of Bradesco will be executed on 6/9/2003, ensuring Banco Bilbao Vizcaya Argentaria, S.A. the right to elect one (1) member to form the Board of Directors of Bradesco;
17. The companies responsible for the aforementioned appraisals declare that they have no conflict or communion of interest, whether current or potential, with the controlling or minority stockholders of Bradesco and BBV Banco, or relating to any other company involved in the operation, and their respective partners, or with the operation subject matter of this Material Fact;
18. BBV Banco will be transformed into a wholly-owned subsidiary of Bradesco, with its Articles of Incorporation reformulated, with an emphasis on the following modifications: a) convert preferred stocks into common stocks; b) eliminate the figure of authorized capital; c) break up the Board of Directors; d) modify the composition and jurisdiction of the Board of Executive Officers;
19. The operation will be submitted to the approval of the Brazilian Central Bank.

Osasco, São Paulo, Brazil, May 22, 2003

Banco Bradesco S.A.
José Luiz Acar Pedro
Executive Vice President and
Investor Relations Director
www.bradesco.com.br

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 23, 2003

BANCO BRADESCO S.A.

By: /s/ José Luiz Acar Pedro

José Luiz Acar Pedro
Executive Vice President and
Investor Relations Director

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.
