

**TÜRK EKONOMİ BANKASI A.Ş.**  
**THE AMENDMENT DRAFT SHOWING THE CURRENT AND NEW VERSIONS OF THE AMENDED ARTICLES**

CURRENT VERSION	NEW VERSION
<p><b>SECTION ONE</b></p> <p><b>INCORPORATION, THE INCORPORATORS, OBJECTIVES,</b></p> <p><b>LEGAL NAME, HEADQUARTERS, AND TERM</b></p> <p><b>Incorporation and the Incorporators</b></p> <p><b>Article 1-</b></p> <p>For the purposes stated in Article 2, a Turkish joint-stock company has been formed by and among Saka Zade Mümtaz, a dealer in leaf tobacco; Yüce Rifat, president of a tobacco cooperative; Hasan Bedrettin, first president of the chamber of commerce; Hafız Rüştü, a former member of Parliament; Veysi, a dealer in leaf tobacco; Hacı Şefik, a dealer in groceries; Moralı Zade Abidin, mayor of a municipality; Hacı Ali, a merchant and president of the aviation society; Kalemci Zade Salih Hakkı, a dealer in grain and provisions; Hakkı Selçuk, a dealer in leaf tobacco; Yusuf Osman, a dealer in leaf tobacco; Şevket, from the İstikamet Groceries Warehouse; Hacı Murtaza Zade Ahmet Nuri, a dealer in hides and fleece wool; Bekirağa Zade Bekir Vehbi, a dealer in lumber; Herekeli Hüseyin, a dealer in groceries; Mehmet Oğlu Hasan, one of the merchants in the Karabaş district; Kemal, from the İstikamet Groceries Warehouse; Şakir, a member of the National Assembly; İsmail Hakkı, a manufacturer of alcoholic beverages; Abdulaziz, an attorney at law; Ragıp, an attorney at law; Taşköprülü Mustafa, a merchant; Hasan, a manufacturer of alcoholic beverages; Hacı Osman, a dealer in</p>	<p><b>SECTION ONE</b></p> <p><b>INCORPORATION, THE INCORPORATORS, OBJECTIVES,</b></p> <p><b>LEGAL TITLE, HEADQUARTERS, AND TERM</b></p> <p><b>Incorporation and the Incorporators</b></p> <p><b>Article 1-</b></p> <p>For the purposes stated in the third article of this Articles of Association, a Turkish joint-stock company has been formed by and among Saka Zade Mümtaz, a dealer in leaf tobacco; Yüce Rifat, president of a tobacco cooperative; Hasan Bedrettin, first president of the chamber of commerce; Hafız Rüştü, a former member of Parliament; Veysi, a dealer in leaf tobacco; Hacı Şefik, a dealer in groceries; Moralı Zade Abidin, mayor of a municipality; Hacı Ali, a merchant and president of the aviation society; Kalemci Zade Salih Hakkı, a dealer in grain and provisions; Hakkı Selçuk, a dealer in leaf tobacco; Yusuf Osman, a dealer in leaf tobacco; Şevket, from the İstikamet Groceries Warehouse; Hacı Murtaza Zade Ahmet Nuri, a dealer in hides and fleece wool; Bekirağa Zade Bekir Vehbi, a dealer in lumber; Herekeli Hüseyin, a dealer in groceries; Mehmet Oğlu Hasan, one of the merchants in the Karabaş district; Kemal, from the İstikamet Groceries Warehouse; Şakir, a member of the National Assembly; İsmail Hakkı, a manufacturer of alcoholic beverages; Abdulaziz, an attorney at law; Ragıp, an attorney at law; Taşköprülü Mustafa, a merchant; Hasan, a manufacturer of alcoholic beverages; Hacı Osman, a dealer in groceries on Nurettin Paşa street; Salih, a dealer of cattle in Bağ Çeşme; Mehmet Nuri, a</p>

groceries on Nurettin Paşa street; Salih, a dealer of cattle in Bağ Çeşme; Mehmet Nuri, a dealer in clothing and other fabrics; Mehmet, an exchange warden; Zihni, a dealer in clothing and other fabrics; Fuat, a member of the National Assembly; Zurra Mehmet, from the village of Eseler; Hasan İbrahim, a baker at the İstiklali Milli Bakery; Hacı Rifat Zade Mehmet Sabri, a dealer in lumber; Sadettin, a member of the National Assembly; Macit, a dealer in clothing and other fabrics; Hasan Behçet, owner of the Merkez pharmacy; İsmail Hakkı, a dealer in lime and oil paints; Esat, proprietor of the firm Umran; Sabri, son of the Usturumcalı, a merchant and dealer in commissions; Yusuf Ziya, proprietor of the Ziya pharmacy; Hazım Efendi Zade Osman Zeki, a merchant; Hacı Ali Bey Zade Halit Eyüp, a manufacturer of flour and meal; Münire Hanım, wife of Sırrı Bey, former minister of economy in İstanbul; Şemsi Bey Zade Selahattin, a dealer in provisions; Mustafa, one of the owners of the Milli Manufactory; Hafız Mehmet, from İstanbul, a dealer in groceries; Abdülkerim, a merchant; Kanuni Şahit, a dealer in flour and meal; Arif Efendi Zade Kâmil, a dealer in hardware; Gürcü Zade Ali Rıza from the Village of İhsaniye; Moralı Zade Ferit, a dealer in groceries; Mustafa Sabri, from Kavala, a dealer in leaf tobacco; Cemal Bey Zade Bekir, a dealer in clothing and other fabrics; Hafız Hüsnü Zade Hasan, a dealer in firewood from Kandıra; Kadı Zade Hacı Ali, a dealer in clothing and other fabrics; Niyazi Bey Zade İsmet, a dealer in groceries from Kandıra; Tevfik Bekir Zade Hurşit, a dealer in firewood from Kandıra; Asım Efendi Zade Raif, a dealer in firewood from Kandıra; İsmet Bey Zade Niyazi from Kandıra; Hasan Bedrettin, on behalf of Rıza Bedri Bey, one of the founders of the Kocaeli Steamship Company; Hüseyin, son of Kadızade Recep Efendi, a dealer in clothing and other fabrics; Mustafa, a dealer in ready-to-wear garments; Hüseyin Bedrettin, on behalf of Ramazan Zade Cemal, a dealer in pharmaceuticals and chemicals in İstanbul; Hakkı, a butcher in Kapanönü; Sarı Ali, a butcher in Kapanönü; Ali Vasfi, an attorney at law;

dealer in clothing and other fabrics; Mehmet, an exchange warden; Zihni, a dealer in clothing and other fabrics; Fuat, a member of the National Assembly; Zurra Mehmet, from the village of Eseler; Hasan İbrahim, a baker at the İstiklali Milli Bakery; Hacı Rifat Zade Mehmet Sabri, a dealer in lumber; Sadettin, a member of the National Assembly; Macit, a dealer in clothing and other fabrics; Hasan Behçet, owner of the Merkez pharmacy; İsmail Hakkı, a dealer in lime and oil paints; Esat, proprietor of the firm Umran; Sabri, son of the Usturumcalı, a merchant and dealer in commissions; Yusuf Ziya, proprietor of the Ziya pharmacy; Hazım Efendi Zade Osman Zeki, a merchant; Hacı Ali Bey Zade Halit Eyüp, a manufacturer of flour and meal; Münire Hanım, wife of Sırrı Bey, former minister of economy in İstanbul; Şemsi Bey Zade Selahattin, a dealer in provisions; Mustafa, one of the owners of the Milli Manufactory; Hafız Mehmet, from İstanbul, a dealer in groceries; Abdülkerim, a merchant; Kanuni Şahit, a dealer in flour and meal; Arif Efendi Zade Kâmil, a dealer in hardware; Gürcü Zade Ali Rıza from the Village of İhsaniye; Moralı Zade Ferit, a dealer in groceries; Mustafa Sabri, from Kavala, a dealer in leaf tobacco; Cemal Bey Zade Bekir, a dealer in clothing and other fabrics; Hafız Hüsnü Zade Hasan, a dealer in firewood from Kandıra; Kadı Zade Hacı Ali, a dealer in clothing and other fabrics; Niyazi Bey Zade İsmet, a dealer in groceries from Kandıra; Tevfik Bekir Zade Hurşit, a dealer in firewood from Kandıra; Asım Efendi Zade Raif, a dealer in firewood from Kandıra; İsmet Bey Zade Niyazi from Kandıra; Hasan Bedrettin, on behalf of Rıza Bedri Bey, one of the founders of the Kocaeli Steamship Company; Hüseyin, son of Kadızade Recep Efendi, a dealer in clothing and other fabrics; Mustafa, a dealer in ready-to-wear garments; Hüseyin Bedrettin, on behalf of Ramazan Zade Cemal, a dealer in pharmaceuticals and chemicals in İstanbul; Hakkı, a butcher in Kapanönü; Sarı Ali, a butcher in Kapanönü; Ali Vasfi, an attorney at law; Himmet Zade Hüseyin Fikri; Ali, a former member of Parliament; Sadettin, proprietor of the Şark Bazaar; Yüzbaşı Zade Faik Nüzhet, a dealer in clothing and other fabrics; Tüysüz Zade M. Nazif, a dealer in shoddy goods; Mehmet Nuri, an expert for a cooperative; Vahdettin, a construction journey man; Ali, a medical dentist; Haşim, a contractor from Bahariye;

Himmat Zade Hüseyin Fikri; Ali, a former member of Parliament; Sadettin, proprietor of the Şark Bazaar; Yüzbaşı Zade Faik Nüzhet, a dealer in clothing and other fabrics; Tüysüz Zade M. Nazif, a dealer in shoddy goods; Mehmet Nuri, an expert for a cooperative; Vahdettin, a construction journey man; Ali, a medical dentist; Haşim, a contractor from Bahariye; Emin, an accountant for the Hereke factory; Yusuf İzzet, proprietor of the Kocaeli pharmacy; Reşat, manager of the Hereke factory; Hayri, president of the Adapazarı Chamber of Commerce; Halit, an exchange warden from Adapazarı; Ahmet Asım, manager of the Islamic Trade Bank in Adapazarı; Uzun Ömer Zade Ömer Hulusi, a dealer in clothing and other fabrics; Ali Rıza Efendi Zade Kemal, a merchant; Raşit, a pharmacist in Adapazarı; as well as the owners of shares of stock issued in accordance with these Articles of Association.

#### **Objectives and Fields of Business :**

##### **Article 2 -**

The Company was established in order to engage in the field of banking in accordance with current legislation as well as in other fields of business permitted for banks.

For the purpose of realizing this objective, the Bank may engage in the following activities:

- a) It may perform all kinds of banking transactions.
- b) It may engage in the necessary financial, commercial, industrial, administrative dispositions and activities concerning Agriculture, Industry, Mining, Energy Production and Distribution, Public Works, Trading, Transportation, Insurance, Tourism, Import and Export.
- c) It may establish companies with real persons and legal entities and enter into joint ventures; and may participate in existing or proposed commercial and industrial establishments, banks and financial institutions and also transfer and

Emin, an accountant for the Hereke factory; Yusuf İzzet, proprietor of the Kocaeli pharmacy; Reşat, manager of the Hereke factory; Hayri, president of the Adapazarı Chamber of Commerce; Halit, an exchange warden from Adapazarı; Ahmet Asım, manager of the Islamic Trade Bank in Adapazarı; Uzun Ömer Zade Ömer Hulusi, a dealer in clothing and other fabrics; Ali Rıza Efendi Zade Kemal, a merchant; Raşit, a pharmacist in Adapazarı; as well as the owners of shares of stock issued in accordance with these Articles of Association.

#### **Legal Title, Headquarters and Abbreviated Business Name**

##### **Article 2-**

The legal title of the Company is “TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ”, and it shall be referred to hereinafter as “the Company or the Bank”. The Company’s abbreviated business name is “TEB”.

Its headquarters is located in Istanbul. Its address is at “TEB Kampüs C ve D Blok, Saray Mahallesi, Sokullu Caddesi, No: 7A-7B Ümraniye/İSTANBUL”. In case of change of address, the new address shall be registered in the Trade Registry and announced in the Turkish Trade Registry Gazette and furthermore be notified to the Capital Markets Board (“CMB”), the Banking Regulation and Supervision Agency (“BRSA”), and other relevant authorities. Notices delivered to the registered and announced address of the Company shall be deemed to have been duly served to the Company. Failure of the Company to have its new address registered in the legal period of time after leaving its ex registered and announced address will constitute a ground for dissolution of the Company.

#### **Objectives and Fields of Business**

##### **Article 3-**

The Company was established in order to engage in the field of banking business in accordance with current legislation as well as in other fields of business permitted to banks.

For the purpose of realizing this objective, the Bank may

assign such interests.

d) It may undertake and perform all kinds of industrial, commercial and insurance transactions, to the extent not prohibited by the Banking Code or by other relevant laws, not only on its own account, but also jointly or as representative for domestic and foreign establishments in the name and on the account of such establishments; and may assume agencies; may enter into any and all kinds of commitments towards governmental or non-governmental organizations.

e) It may buy and sell any and all types of securities, stocks and bonds whether on its own account or in the name and on the account of others, having obtained authorization and in accordance with the provisions of relevant laws, and may issue bonds, establish and manage securities investment funds, perform other capital market transactions allowed by laws and regulations, and engage in activities on the Securities Exchange.

f) It may accept mortgages, pledges, sureties and other guarantees established in favor of the Bank; and may grant and establish mortgages, pledges, sureties and other guarantees in favor of other persons.

g) It may purchase vehicles necessary for the Company's business and when necessary sell them.

h) To the degree permitted by law and regulations, it may lease equipment and undertake real estate financing, through financial leasing.

i) It may acquire incorporeal rights related to its fields of activity and make dispositions of them.

j) Within the framework of existing laws and regulations and in accordance with the decisions of the Central Bank of the Republic of Turkey and of public authorities, the Company may purchase real estate properties which it needs in order to

engage in the following activities:

**a)** It may perform all kinds of banking activities and transactions,

**b)** According to the provisions of the Banking Code and the Turkish Commercial Code and other applicable legislation, provided to have the required authorizations, it may open banks, branches, offices and representative offices both in Turkey and abroad and maintain relations with correspondents, it may establish companies with real persons and/or legal entities and enter into joint ventures in Turkey and abroad; and may participate in existing or future commercial and/or industrial establishments, banks and financial institutions and also transfer and assign such participations,

**c)** It may undertake and perform all kinds of industrial, commercial and insurance transactions, to the extent not prohibited by the Banking Code or by other relevant laws, not only on its own account, but also jointly or as representative for domestic or foreign establishments in the name and on the account of such establishments; and may assume agencies; may enter into any and all kinds of commitments towards governmental or non-governmental institutions,

**d)** It may buy and/or sell any and all types of securities, stocks and bonds whether on its own account or in the name and on the account of others; provided to obtain authorization and in accordance with the provisions of relevant laws, may issue securities, stocks and bonds; as long as allowed by laws and regulations it may establish and manage securities investment funds, contract debts by syndication, bond issue or direct borrowing, and perform any and all kind of capital markets transactions and engage in activities on the stock exchanges,

**e)** It may accept mortgages, pledges, sureties and other guarantees established in favor of the Company and it may grant mortgages, pledges, sureties and other guarantees in the name of the Company,

**f)** It may purchase, lease and sell vehicles necessary for

conduct its banking business, and may sell its real estate properties, build or have them built, and put them out to lease or lease them from others; and may establish any and all types of property rights over them and release the same, including mortgages; and may have any and all manner of annotations and registrations made in the Land Registry and may have them rescinded; and may also engage in any and all manner of dispositions on the real estates, related to its objectives and fields of activity.

k) It shall be permissible for the Company to extend credit facilities by means of transactions permitted by the Banking Code against real estate mortgages and guarantees in any case provided by that same code and similarly, may take possession of real properties when required for collection of its claims.

In the event that it should be necessary and useful for the Company to engage in businesses other than those indicated above, the matter shall be submitted upon a proposal of the Board of Directors for the approval of the General Assembly of Shareholders and after having obtained a decision to that effect, the Company may perform whatever business it wishes within the limits of the General Assembly's decision.

Such decisions are in the nature of an amendment to these Articles of Association and before they can be made they shall be subject to prior consent of the required authorities in accordance with the provisions of the Turkish Commercial Code, the Banking Code and the Capital Markets Act.

#### **Legal Name, Headquarters and Abbreviated Business Name**

#### **Article 3- Legal Name, Headquarters and Abbreviated Business Name**

The legal name of the Company shall be "TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ". Its headquarters shall be in Istanbul at the address of

the Company's business,

g) To the extent permitted by the law and regulations, it may lease equipment and it may undertake real estate financing and it may execute factoring transactions,

h) It may acquire intangible rights related to its fields of activity and may dispose of them,

i) Within the framework of applicable laws and regulations, the Company may purchase real estate properties which it needs in order to conduct its banking activities, and may sell its real estate properties, build or have them built, and put them out to lease or lease them from others. The Company may establish any and all types of rights in rem including mortgages over them and release the same. The Company may have any types of annotations and registrations made in the Land Registry and may have them rescinded; and may also engage in any and all kinds of dispositions on the real estates, related to its objectives and fields of activity.

j) It may make any kind of donation in accordance with the applicable laws and regulations provided that the limit of such donation is determined by the General Assembly.

Moreover, the Company may perform any and all types of transactions which relate to its objectives and field of activity.

In the event that it should be necessary and useful for the Company to engage in businesses other than those indicated above, the matter shall be submitted, upon a proposal of the Board of Directors, for the approval of the General Assembly of Shareholders and after having obtained a decision to that effect, the Company may perform whatever business it wishes within the scope of the General Assembly's resolution.

Such decisions which are in the nature of an amendment to these Articles of Association, before they can be resolved, shall be subject to the prior consent of the required authorities in accordance with the provisions of the Turkish Commercial Code, the

Meclis-i Mebusan Caddesi No. 35 Fındıklı 80040 Beyoğlu/İstanbul. In case of change of address, the new address shall be registered in the Trade Registry and announced in the Turkish Trade Registry Gazette and separately notified to the Ministry of Industry and Commerce, the Capital Markets Board and other relevant official authorities. Notices delivered to the registered and announced address of the Company shall be deemed to have been duly served to the Company. Failure of the Company to have its new address registered in the legal period of time after leaving its registered and announced address will constitute a just cause of dissolution of the Company.

By a decision of the Board of Directors and on condition that it shall obtain the required authorizations within the framework of the provisions of the Banking Code and of the Turkish Commercial Code, the Company may open branches, bureaus and representative offices both in Turkey and abroad and similarly, may maintain relations with correspondents.

Pursuant to the provisions of Article 55 of the Turkish Commercial Code, the Company's abbreviated business name shall be "TEB".

#### **Term**

##### **Article 4-**

The legal existence of the Company has not been restricted to any specific term. Nevertheless, the General Assembly of Shareholders may, on condition that it shall comply with meeting and decision quora stipulated by law, amend these Articles of Association and limit the term of the Company.

Such a restricted term may, in compliance with the conditions prescribed by law, be even further limited and similarly, it may also be extended and rendered indefinite again.

Banking Code and the Capital Markets Act.

#### **Term**

##### **Article 4-**

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Before the implementation of such decisions which are in the nature of amendments to these Articles of Association, the approbation of the BRSA, the approval of the CMB, and the permission of the Ministry of Customs and Trade must be obtained.

## **SECTION TWO**

### **THE CAPITAL STOCK**

#### **Capital of the Company**

##### **Article 5-**

In accordance with the provisions of the 2499 Capital Markets Act, the Company has accepted the registered capital system and started to apply the registered capital system upon the permission, ref. 53/704, dated 10/6/1999, of the Capital Markets Board.

The Company's registered capital is TL 2.204.390.000,- (TWO BILLION TWO HUNDRED FOUR MILLION THREE HUNDRED NINETY THOUSAND TURKISH LIRAS), divided into 2.204.390.000,- (TWO BILLION TWO HUNDRED FOUR MILLION THREE HUNDRED NINETY THOUSAND), registered shares each with a nominal value of TL 1 (ONE TURKISH LIRA).

The issued capital which has been fully paid is TL 2.204.390.000,- (TWO BILLION TWO HUNDRED FOUR MILLION THREE HUNDRED NINETY THOUSAND TURKISH LIRAS) and divided into 2.204.390.000,- (TWO BILLION TWO HUNDRED FOUR MILLION THREE HUNDRED NINETY THOUSAND registered shares each with a nominal value

Such decisions are in the nature of amendments to these Articles of Association and before they can be put into effect, an approbation from the Banking Regulation and Audit Administration, and an approval from the Capital Markets Board, and a permission of the Ministry of Industry and Commerce must be obtained.

## SECTION TWO

### THE CAPITAL STOCK

#### Capital Of The Company

##### Article 5 –

In accordance with the provisions of the 2499 Capital Markets Act, the Company has accepted the registered capital system and started to apply the registered capital system by a permission, ref. 53/704, dated 10/6/1999, of the Capital Markets Board.

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The issued capital which has been fully paid is TL 2.204.390.000,- (TWO BILLION TWO HUNDRED FOUR MILLION THREE HUNDRED NINETY THOUSAND TURKISH LIRAS) fully paid up and divided into 2.204.390.000,- (TWO BILLION TWO HUNDRED FOUR MILLION THREE HUNDRED NINETY THOUSAND registered shares each with a nominal value of TL 1 (ONE TURKISH LIRA).

The shares representing the capital shall be monitored in record in accordance with the recording principles.

of TL 1 (ONE TURKISH LIRA).

The shares representing the capital shall be monitored through the records kept in accordance with the dematerialization principles.

It is mandatory for the Company's shares to be issued against cash payment, to be registered and to be listed in the Stock Exchange.

#### Capital Increase, Decrease- Increase of the Registered Capital Ceiling

##### Article 6-

The Company's capital may be increased or decreased in accordance with the applicable legislation. The General Assembly shall be authorized to increase the Company's registered capital ceiling, and the Board of Directors shall be authorized to increase the issued capital up to the registered capital ceiling in accordance with the Capital Markets Act and other applicable legislation.

As per the Capital Markets Act, Turkish Commercial Code and other applicable legislation, the Board of Directors, when deemed necessary, shall be authorized to increase the issued capital, up to the registered capital ceiling by issuing registered shares.

The Board of Directors shall be authorized to issue shares worth above the nominal value per share, to restrict or to remove the shareholders' pre-emptive rights, and to sell them through public offering or without public offering. The authority to restrict the shareholders' pre-emptive rights may not be exercised in a way to cause inequality between the shareholders.

Unless otherwise resolved, in case of the increase of the issued capital, the Company's then current shareholders have the pre-emptive rights to purchase new shares pro rata to their shares in then current capital.

The transactions regarding the increase of the issued capital and the exercise of the pre-emptive rights and, in case the pre-emptive rights are not exercised within the given legal period, the transactions regarding the

At any time deemed necessary, and in accordance with the pertinent provisions of the Capital Markets Act and other relevant laws and regulations, the Board of Directors will be entitled to increase the issued capital by issuing registered shares up to the registered capital ceiling.

The Board of Directors is further entitled to issue share certificates worth above the nominal value per share, and to restrict or fully remove the rights of pre-emption of the shareholders, and to sell the newly issued shares with or without a public offer.

At the time of incorporation of the Company, founder's shares equal to 7% of the capital stock have been allocated to the founders who have signed the Articles of Association and have subscribed and paid the original capital, as stipulated in Article 298 of the Turkish Commercial Code, and accordingly, 125 registered and bonus founder's shares have been issued. No other founder's shares will be issued.

The founder's shares entitle their holders to the dividends envisaged in the Articles of Association and in case of liquidation of the Company, to a share of liquidation proceeds to be assessed by the General Assembly approving the liquidation.

The Company is obliged to issue its share certificates against cash payment, as registered shares, and to have them quoted in the Stock Exchange.

#### **Form of the Share Certificates**

##### **Article 6- (Repealed)**

#### **Temporary Share Certificates**

##### **Article 7- (Repealed)**

#### **Share Certificates**

##### **Article 8-**

All the Company's share certificates must be registered, must be issued against cash payment,

remaining shares shall be made as per the applicable legislation.

At the capital increases, the bonus shares will be distributed to the then current shareholders pro rata to their shareholding ratio.

Procedures pertaining to increase of the registered capital ceiling and decrease of the capital, which by nature is an amendment of these Articles of Association, shall be carried out in accordance with the provisions of the Turkish Commercial Code, the Capital Markets Act, the Banking Code and other relevant laws and regulations. It is mandatory to obtain the prior permission of the CMB, the BRSA and the Ministry of Customs and Trade.

#### **Issuance of Capital Market Instruments in the Nature of Debt Securities**

##### **Article 7-**

The Board of Directors of the Company may resolve to issue capital market instruments in the nature of debt securities. For adoption and implementation of such a resolution, all pertinent provisions of the applicable legislation must be strictly complied with.

### **SECTION THREE**

#### **SHARES, TRANSFER OF THE SHARES**

##### **Shares**

##### **Article 8-**

The Company's shares and founder's shares are registered. All Company shares must be issued against cash payment.

Share certificates representing the shares shall not be printed. The shares representing the capital shall be monitored through the records before the Central Registry Agency -*Merkezi Kayıt Kuruluşu A.Ş.*- ("MKK") in line with the dematerialization principles.

##### **Indivisibility of Shares**

##### **Article 9-**

Shares represent an indivisible unity vis-à-vis the

must have a nominal value of not more than one hundred thousand liras, and must be quoted on the Securities and Foreign Currency Exchange and the number of shareholders cannot fall below the minimum limit specified in the Turkish Commercial Code and other pertinent laws and regulations.

### **Transfer of Shares**

#### **Article 9-**

Transfer of share certificates will be governed by the pertinent provisions of the Turkish Commercial Code and other relevant laws and regulations.

Transfer of shares corresponding to the percentages specified in the Banking Code and transfer of share certificates holding rights of usufruct shall be subject to prior permission of the Banking Regulation and Audit Board and the Capital Markets Board.

In order for such transfer and assignment to be binding upon the Company and upon third parties, however, the transfer of shares must be approved and certified by the Board of Directors and recorded in the share register.

The Company's Board of Directors may reject approval and registration without being bound to show any reason; provided, however, that the Board of Directors may not refrain from registering the share certificates purchased in the Exchange Markets and other organized markets.

### **Indivisibility of Shares**

#### **Article 10-**

Shares represent an indivisible unit with regard to the Company.

The Company shall recognize a single owner for each share.

If a single share of stock has several owners, the co-owners may exercise their rights over the Company only through a joint representative. This

Company. If a single share has several owners, the co-owners may exercise their rights over the Company only through a joint representative. In case such a joint representative is not appointed, any notice to be made by the Company to any of these co-owners shall be valid for all of them.

The voting right pertaining to a share over which a usufruct right is established shall be used by the usufruct right holder, if there are more than one person, then by a representative to be appointed by them. In case a representative is not appointed, the above provisions shall apply regarding the notices to be served.

### **Founder's Share Certificates**

#### **Article 10-**

At the incorporation of the Company, a founder's usufruct share of 7% was allocated to the signatories of this Articles of Association and to those subscribed and paid the first share capital, and 125 registered bonus founders' shares certificates were given. No further founder's share certificates may be issued.

The founder's shares certificates give the right to benefit from the dividend share set forth under this Articles of Association and, in case of liquidation, to acquire a liquidation share to be defined by the General Assembly of Shareholders which will approve the liquidation.

### **Transfer of Shares**

#### **Article 11-**

Transfer of the shares and exercise of the rights pertaining to the shares will be governed by the pertinent provisions of the Turkish Commercial Code, the Banking Code, the Capital Markets Act and other applicable laws and regulations.

Transfer of shares corresponding to the percentages specified in the Banking Code and transfer of shares holding rights of usufruct shall be subject to the prior permission of the Banking Regulation and Supervision Agency.

### **Company's Acquisition of its Own Shares or Pledge of the Company's Shares in favour of the Company**

#### **Article 12-**

Within the limits to be defined by the applicable laws

representative shall be regarded by the Company as being the owner of the aforementioned share of stock.

In the event that those who have the rights of usufruct on a share of stock are different individuals, they, too, shall be obliged to exercise their rights over the Company through a joint representative.

#### **Liability of the Shareholders**

**Article 11** - Shareholders cannot be required to pay anything more than the value of shares set at the time shares are issued and which may be equal to or greater than the face value of the share certificate.

#### **Shareholders and their Heirs and Creditors**

##### **Article 12 –**

Possession of Company shares or entitlement to the rights of usufruct thereof implies acceptance of the provisions of these Articles of Association.

All the rights (including possible rights over dividends and legal reserves) provided by a share of stock as well as the liabilities and obligations in connection therewith belong to the owner of that share of stock as well as to any usufructuary thereof.

Neither the heirs nor the creditors of any shareholder may for any reason involve themselves in the Company's management or may request a seizure on the Company's properties or their forced sale. In the matter of the enjoyment of their rights, they shall be obliged to accept the Company's books of account.

Disputes arising between the Company and the Shareholders over Share Certificates

**Article 13-** The judicial authorities where the Company's headquarters is located shall have jurisdiction in resolution of any and all disputes that may arise between shareholders or stock

and regulations, the Banking Regulation and Supervision Agency and the Capital Markets Board, the Company may acquire its own shares and accept its own shares to be pledged in favor of the Company.

#### **SECTION FOUR**

#### **CORPORATE BODIES**

#### **A. General Assembly of Shareholders**

##### **Article 13-**

This is the decision-making body which is convened in the occasions clearly set forth by the law and the Articles of Association. The General Assembly of Shareholders convened as per the Turkish Commercial Code and these Articles of Association represents all shareholders. The resolutions made by the General Assembly of Shareholders convened in that way are legally binding not only for dissenting shareholders but also for those who have not participated to that meeting.

The shareholders shall hold ordinary and extraordinary meetings as the General Assembly of Shareholders. Ordinary meetings of the General Assembly shall be held within three months following the closing of the fiscal year and in any case, once a year. At these meetings the issues stipulated in the relevant provisions of the Turkish Commercial Code and other issues that are duly included in the agenda shall be discussed and resolved. The Extraordinary General Assembly meeting is convened when and at the time and with the agenda deemed necessary for the Company's businesses.

The presence of any and all of the executive directors and at least one of the Board of Directors members is mandatory. The auditor shall also participate to the meetings.

In addition, the persons who are required to make explanations for the agenda issues and/or who are in charge of these issues shall participate to the meetings.

The Board of Directors shall prepare an internal guideline including the rules concerning working procedures and principles of the General Assembly and

usufructuaries and the Company on account of share certificates.

#### **Increase of Registered Capital Ceiling**

**Article 14-** The General Assembly shall be authorized to increase the Company's registered capital ceiling.

Procedures pertaining to increase of the registered capital ceiling, which by nature requires an amendment to these Articles of Association, shall be carried out in accordance with the provisions of the Turkish Commercial Code, the Capital Markets Act, the Banking Code and other relevant laws and regulations, with a prior consent and permission of the Capital Markets Board and the Ministry of Industry and Commerce.

The Board of Directors will be authorized to increase the issued capital up to the registered capital ceiling, in accordance with the pertinent provisions of the Capital Markets Act and other relevant laws and regulations.

In capital increases, bonus shares will be allocated and distributed to the holders of capital shares existing as of the date of increase.

#### **New Shares To Be Issued in Capital Increases**

**Article 15-** (Repealed)

#### **Sale of Unpaid Shares**

**Article 16-** (Repealed)

#### **Preemptive Rights**

**Article 17-** Unless the Board of Directors adopts a decision to the contrary, the existing shareholders of the Company shall be entitled to purchase newly-issued shares in proportion to their existing share holdings.

The Board of Directors is further entitled to issue share certificates worth above the nominal value per share, and to restrict or fully remove the rights of option of the shareholders on the newly

this internal guideline shall be enacted upon the approval of the General Assembly. This internal guideline shall be registered and published.

Saved the provisions of the Turkish Commercial Code setting forth the non transferable duties and powers of the General Assembly of Shareholders, the following duties and powers may not be transferred:

a) Amendment of the Articles of Association.

b) Appointment of the Board of Directors' members, decision on the Board of Directors' members' term of office, fees, honorariums, bonuses, premiums and similar fiscal rights, decision on their release and their dismissals.

c) Saved the exceptions in the law, the appointment and dismissal of the auditor.

d) Decision on the financial statements, the Board of Directors' yearly activity report, the disposal of the yearly profit, determining the dividend share, decision on the utilization of the reserve including its transfer to the share capital or to the profit to be distributed.

e) Except for the exceptions set forth in the law, the dissolution of the Company.

f) The whole sale of a material amount of the Company's assets.

#### **Participation to General Assembly meeting through electronic media:**

The persons entitled to participate to the Company's General Assembly meeting may participate through electronic media as per the article 1527 of the Turkish Commercial Code. The Company may either establish an electronic general assembly meeting system allowing the related parties to participate the General Assembly meetings, to express their opinions, to make proposals and to vote through electronic media as per the "Regulation regarding the General Assembly Meetings of Joint Stock Companies through Electronic Media" or may purchase services from system providers for this purpose.

In each General Assembly meeting, exercise of the rights granted by the said Regulation provisions to the stakeholders and their representatives must be ensured

issued shares, and to offer the newly issued shares directly to public.

The announcements pertaining to increase of the issued capital will be published in compliance with the relevant laws and regulations. The period of time during which stockholders may exercise their preemptive rights to acquire shares may not be less than fifteen days.

#### **Reductions in the Capital Stock**

**Article 18-** The Company's capital stock may be reduced by decisions of the General Assembly of Shareholders. In such cases, the written forms stipulated in the Turkish Commercial Code must be complied with.

#### **Issue of Bonds and Other Capital Market Borrowing Instruments**

**Article 19-** The Company's Board of Directors may decide to issue bonds and other capital market instruments of indebtedness. For adoption and implementation of such a decision, all pertinent provisions stipulated in the Turkish Commercial Code and the Capital Markets Act and all decisions of other authorized bodies in relation therewith must be strictly complied.

#### **Loss of Share Certificates and Bonds**

**Article 20-** In the event that share certificates or bonds are lost, stolen, or destroyed or for whatever reason, are no longer in the possession of their owner against their will, the pertinent provisions of the Turkish Commercial Code shall apply on the procedures that are to be followed.

### **SECTION THREE**

#### **ADMINISTRATION OF THE COMPANY**

##### **Administrative Organs**

**Article 21-** The Company's administrative organs shall consist of the Board of Directors, the Credit Committee, and a Managing Director or General Manager (or another person performing this

through the system installed.

Participation to the general assembly meeting through electronic media, appointing representative, making motions and/or declarations and voting shall be exercised through the Electronic General Assembly System ("EGAS") to be provided by MKK.

#### **Invitation and Meeting Place**

##### **Article 14-**

The General Assembly shall be convened upon the Board of Directors' invitation. The provisions of the Turkish Commercial Code and the Capital Markets Act related to convening the General Assembly of Shareholders for meeting are however reserved.

The shareholders holding shares representing at least one in twenty of the Company's issued capital may request from the Board of Directors and mentioning in writing the grounds for it and the agenda, to convene the General Assembly or, in the case the General Assembly is about to convene, to include in the agenda the issues they want to be discussed. The request to add an item to the agenda must be sent via notary public and be delivered to the Board of Directors before the payment of the fees related to the publication of the resolution for invitation in the Turkish Trade Registry Gazette.

In case the Board of Directors rejects the request for convening the General Assembly meeting or inclusion of an item to the agenda or in case no affirmative answer was given within seven business days, upon the application of the same shareholders, the competent commercial court in the Company's headquarters address may resolve to convene the General Assembly meeting.

The General Assembly meetings shall be convened in the Company's headquarters or, when deemed necessary by the Board of Directors, in another appropriate place in the same city. The meeting place shall be mentioned in the invitation letters and the

duty).

## **Board of Directors**

### **Article 22-**

The Board of Directors shall consist of a total of 10 (ten) members, elected amongst the candidates carrying the qualifications set forth in the Turkish Commercial Code and Banking Act, and one being the General Manager. In the absence of the General Manager, his deputy is a natural member of the Board of Directors. Natural membership of the General Manager or his deputy in the Board of Directors shall continue as long as the term of their duty in the said positions. General Management and Chairmanship duties cannot be vested in the same person.

At least one more than half of the members of the Board of Directors and the managing directors shall bare the qualifications of the General Manager, as mentioned in the Banking Act.

In order to be elected as a member of the Board of Directors, one must be a shareholder or the representative of a legal entity shareholder and possess the authority to exercise his civil rights, and not be hindered by any legal encumbrance against membership.

Legal entity shareholders cannot be elected to the Board of Directors, though real persons who are representatives of legal entity shareholders may be elected. Real persons elected to the Board of Directors as representatives for legal entities shall automatically lose their seat in the Board of Directors, if and when the termination of their representation relations with the represented legal entity is notified to the Board of Directors by the relevant legal entity.

Each Board member shall be obliged to deposit with the Company a number of shares

related announcements.

## **Announcements**

### **Article 15-**

The announcement for the General Assembly meeting shall be made not only as per the term and procedures stipulated in

the Turkish Commercial Code, the Capital Markets Act and other applicable legislation but also, to the extent possible as per the Company's possibilities, in a way to access the maximum number of shareholders, including the Company's web site, electronic media and other appropriate means of communication.

It is mandatory to mention in the announcement the meeting agenda, place, date and time. Align with the General Assembly announcement, the power of attorney template for the persons who will be represented by proxy shall also be announced and moreover any and all information and documents related to the meeting shall be made available to the shareholders on the Company's website.

## **Meeting and Decision Quorum**

### **Article 16-**

The meeting quorums and decision quorums for the General Assembly meetings are subject to the Turkish Commercial Code and in case of specific provisions, to the Capital Markets Act. The provisions of the Banking Code are however reserved.

As per the relevant provision of the Turkish Commercial Code, in order to confirm and check the right to participate to the General Assembly meeting for the dematerialized shares, the shareholding list to be obtained by the Board of Directors from MKK in accordance with the Capital Markets Act will be taken into consideration. The Turkish Commercial Code and the Capital Markets Act shall apply to the participation of the shareholders to the General Assembly meeting

corresponding to at least one percent of the share capital in nominal value; provided, however, that if one percent of the capital stock exceeds TL 1, it will not be obligatory to deposit shares in excess thereof. The shares deposited as above shall stand as a pledge for the duties and obligations of the Board member until he is released and discharged by the General Assembly of Shareholders, and accordingly, may not be transferred to third parties or received back from the Company. Shares deposited as a pledge may also be delivered and furnished by a third person, with a prior consent of the Board of Directors.

For the members elected to the Board of Directors as representatives of a legal entity shareholder, the aforementioned shares may be deposited by the represented legal entity shareholders.

The chairman and members of the Board of Directors are obliged to give an oath in accordance with the principles and procedures to be determined by the board of the Banking Regulatory and Supervisory Agency, following their election or appointment. Members of the Board of Directors may not take office unless and until they have taken this oath.

#### **Term of Office of Members of the Board of Directors**

**Article 23-** Members of the Board of Directors shall be elected by the General Assembly for a term of office of not more than three years. Before electing the members, the General Assembly shall first determine the Directors' term of office. Directors may be reelected when their term of office has expired.

If a membership should become vacant for any of the reasons indicated in Article 31/1-a of the Banking Code or in Article 315/2 of the Turkish Commercial Code, or due to death, resignation, or other causes, the Board of Directors shall temporarily appoint someone possessing the qualifications sought for election to the Board of

and the exercise of the voting rights.

In case a higher decision quorum imposed by the applicable legislation which may not be lowered, the rule is that the decisions are made with the affirmative vote of the majority of the participants. This majority rule applies as to the appointment of the Board of Directors' Members and the auditor. However, if the majority is not reached for the appointment of the Board of Directors' Members, the same shall be voted once again. In that second voting, the nominees in the order of having the highest votes shall be appointed as the Board of Directors Members. In case of parity of the votes there shall be a draw.

#### **Votes**

##### **Article 17-**

Each shareholder participating in meetings of the General Assembly of Shareholders shall be entitled to one vote for each share he holds. Voting through proxies is also valid. The provisions of the Banking Code in connection therewith are, however, reserved. For voting through proxy, a power of attorney must be submitted to the Company at the General Assembly meeting, together with a statement showing the number of shares, before election of the Meeting Chairmanship in the meeting of the General Assembly of Shareholders at the latest. The provisions of the Capital Markets Act regarding the form of the power of attorney and the voting through proxy are reserved.

However, if a shareholder is a government organization, an incorporation, an establishment having a legal personality, or a real person placed under guardianship, no separate power of attorney is required provided that the documents evidencing the representation rights as per the applicable legislation are submitted. The voting right pertaining to a share with multiple shareholders may only be exercised by a representative. The transfer or delivery of the share certificates to another person for the purposes of exploiting loopholes regarding the restrictions over the exercise of the voting rights or to render them ineffective are null and void.

The provisions of the Turkish Commercial Code

Directors and submit such appointment for approval at the next session of the General Assembly to be convened. Upon approval by the next session of the General Assembly, a member appointed in this way shall complete the term of office of his predecessor.

Members of the Board of Directors may be dismissed at any time by a decision of the General Assembly of Shareholders.

The provisions of the Turkish Commercial Code and of the Banking Code shall be complied with in connection with the qualifications sought for membership in the Board of Directors.

### **Board Meetings, Quorum**

**Article 24-** The first meeting of the Board of Directors shall be held within one month after its election. In the first meeting, resolutions regarding the appointment of the Board Chairman and Vice-Chairman, distribution of duties and establishment of committees, shall be taken. Chairman of the Board shall act as the president of the General Meetings of Shareholders.

For due keeping of the documentation regarding the Board meetings, a secretariat, serving to all Board members and reporting to the Board Chairman, shall be established.

The Board of Directors shall meet as and when needed in the course of business. Chairman or vice chairman of the Board of Directors may, in his sole discretion and initiative, call the Board of Directors for a meeting. The Chairman is obliged to call the Board of Directors for a meeting, upon demand of at least two of the directors. Board meetings shall be held at the Company's headquarters or at any other convenient place in Turkey or abroad, which is to be specifically mentioned in the meeting calls.

Meeting quorum is met with the presence of at least 8 (eight) members. Decisions are taken with

regarding the representation of the shareholders in the General Assembly meetings are reserved.

The shareholders who are physically present in the General Assembly meeting shall vote by raising their hands, the persons who participate through electronic media shall vote through the electronic system. However, upon the request of the majority of the participant shareholders voting by ballot may be exercised. In case of ballot, for each item of the agenda, a ballot paper showing the number of votes of each participant shall be distributed to the participants by respecting the secrecy of the ballot.

The Board of Directors shall take the measures in order to confirm and check the participation right to the meeting and the discussions and voting rights of the shareholders.

A shareholder may not vote in the discussions related to a business, transaction or a dispute before a court or arbitration concerning the Company and himself, his spouse, his descendants or ascendants or sole proprietorships where he or one of the persons listed herein is a shareholder or equity companies which are under their control.

The Board of Directors' members and the persons who have management and signing authorities can not exercise the voting rights pertaining to their shares for the resolutions concerning the release of the Board of Directors members.

Shareholders holding less shares than the number of shares required to participate in meetings of the General Assembly of Shareholders, may choose a proxy among themselves to represent them jointly.

### **Sessions**

#### **Article 18-**

A roster indicating the signatures, names, surnames, residences and number of shares of the shareholders or their proxies or their representatives present in the General Assembly meeting shall be drawn up and made

the affirmative vote of at least 8 (eight) members. Board members cannot vote for each other. Meeting minutes are prepared and attached to the decision book, including the issues discussed during the meeting, as well as the names of the Board members that were present. The minutes shall be signed by the Board members. Dissenting Board members shall sign the minutes by explaining the grounds of their dissenting opinions.

#### **Chairman of the Board**

**Article 25-** At each of its first yearly session following the annual meeting of the General Assembly of Shareholders, the Board of Directors shall elect from among its members, a chairman and a vice chairman who will act as deputy for the former in his absence. The Chairman of the Board of Directors shall preside over meetings of the General Assembly of Shareholders.

The duty of secretary for the Board of Directors may be entrusted to one of its members or to someone from outside the Board.

#### **Duties and Authorities of the Board of Directors and Representation of the Company**

**Article 26-** The administration of the Company, the performance of transactions in the name of the Company, and the power to represent and bind the Company shall be the responsibilities of the Board of Directors.

a) The Board of Directors shall perform and carry out the duties assigned by the Turkish Commercial Code, these Articles of Association, the provisions of laws and regulations, and decisions adopted by the Company's General Assembly of Shareholders on such matters. The Board of Directors shall be authorized to take decisions on all matters that are not dependent upon the adoption of a resolution by the General Assembly and that lie outside the authorities of the Credit Committee and of the General Manager or Company Manager.

b) The Board of Directors shall have absolute

available in the place where the meeting will be held, before the first collection of the first votes.

Meetings of the General Assembly shall be chaired by the Chairman or the Vice Chairman of the Board of Directors or in their absence by a person elected by the General Assembly among the members of the Board of Directors. The Chairman shall designate a secretary and, if he deems necessary, a vote collector, and thus shall form the the Meeting Chairmanship.

The Meeting Chairman may decide to continue the meeting in form of series of sessions until decisions have been adopted by the General Assembly on all the matters included in the agenda. Upon demand of a present majority or of a present minority of at least one in twenty of the Company's capital stock, discussions on the ratification of the balance sheet shall be postponed for one month; notification thereof shall be made to the shareholders as stipulated in the relevant article of the Turkish Commercial Code through announcement. Furthermore, in order for discussions to be re-postponed upon demand of a minority of at least one in twenty of the Company's capital stock, the objected issues on the balance sheet must still remain insufficiently explained.

#### **Meeting Minutes**

##### **Article 19-**

In order for the decisions adopted by the General Assembly to be binding, minutes must be drafted comprising the resolutions passed. These minutes shall be drafted in accordance with the pertinent provisions of the Turkish Commercial Code and signed by the the Meeting Chairmanship and the representative of the Ministry of Customs and Commerce the presence of whom is mandatory. The General Assembly shall grant authorization to Meeting Chairman, to the secretary and to the vote collector, if elected, to sign the minutes.

A roster signed by the Chairman and indicating the names and surnames of the shareholders or their representatives present at the meeting, shall be attached to the minutes with documents indicating that the invitation to the meeting was duly made or be

authority over the disposition and administration of the movable and immovable properties belonging to the Company and over the conduct of any and all types of contracts and transactions related to the Company's fields of business. Included among the authorities of the Board of Directors are the power to make settlements, waive from debts, write off the debts, and appoint arbitrators.

c) The Board of Directors shall be charged with overseeing the activities of the Credit Committee. Every Board member shall have the authority to demand the Credit Committee any and all types of information concerning the activities of the Credit Committee and to perform controls of whatever sort which may seem necessary.

d) The Board of Directors may set aside appropriations as deemed necessary to ensure the regular conduct of the Company's internal affairs, to regulate the duties and work of its personnel, and to determine retirement and other rights; and may also issue internal by-laws, regulations and conclude agreements that are not limited with its own term of office.

e) The Board of Directors may borrow on its own credit or by establishing chattel mortgages on the movable assets of the Company; and may purchase real properties, within the limits permitted by the Banking Code for purposes related to its objectives and fields of business, and also have them built and sell them; and may pledge the Company's immovable properties and may borrow by issuing bonds.

f) The Board of Directors shall determine the conditions under which extraordinary rewards and bonuses are to be given to managers, employees and unqualified employees in return for various services or extraordinary success, and shall distribute such bonuses. The aforementioned conditions are to be included among the Company's overheads.

g) The Board of Directors shall determine and set aside amounts for amortization, provisions and legal reserves within the framework of the provisions of law on such matters; and shall determine the manner in which dividends should be distributed in accordance with the provisions

stated their contents shall be included in the minutes.

The Board of Directors is obliged to submit a notarised copy of the minutes immediately to the Commercial Registry Office, and to register and announce such matters contained therein which are subject to registration and announcement, moreover the minutes shall be immediately posted on the web site of the Company. Resolutions amending the Articles of Association shall have no legal force towards third persons prior to the registration.

#### **Notification of the Meetings to Relevant Authorities Article 20-**

The notifications pertaining to the Ordinary and Extraordinary meetings of the General Assembly of Shareholders shall be made to the related authorities as per the pertinent provisions of the applicable legislation.

### **B. Administration of the Company**

#### **Management and Supervision Bodies**

##### **Article 21-**

The Company's management and supervision bodies consist of the Board of Directors, the Audit Committee, the Credit Committee, the General Manager, the Deputy General Manager and the Assistant General Managers.

#### **Board of Directors**

##### **Article 22-**

**Number- Composition:** The Board of Directors shall consist of 12 (twelve) members one being the General Manager, elected by the General Assembly amongst the candidates having the qualifications set forth in the Turkish Commercial Code, the Capital Markets Act and the Banking Code. In case appointment of the Independent Member is obligatory, the Board of Directors shall consist of 14 (fourteen) members. The General Manager, and in his absence, his deputy are the natural member of the Board of Directors. Natural memberships of the General Manager or his deputy to

of these Articles of Association and make proposals thereon to the General Assembly of Shareholders.

h) In situations where deemed necessary, the Board of Directors shall have the Company's books audited by chartered accountants and receive their reports.

i) The Board of Directors shall make proposals to the General Assembly concerning any and all types of amendments in or additions to these Articles of Association.

j) The Board of Directors shall invite the General Assembly of Shareholders to a meeting in the situations and by the ways stipulated in these Articles of Association, decide the agenda for such meetings, perform such formalities as may be required, and carry out the decisions of the General Assembly.

k) The Board of Directors shall grant Company managers as well as employees all and any powers of representation and signature needed for the administration of the Company's business. The powers so granted and the places and ways in which they are to be exercised shall be registered with the Commercial Registry and publicized.

In order for documents and certificates written and issued in the name of the Company, as well as any and all types of agreements and contracts entered into on behalf of the Company to be valid and binding on the Company and to represent the Company, they must be signed by those persons whose degree, place, and form of power of signature have been designated and granted by the Board of Directors and the manner of whose signature has been duly registered and announced and the signature must be placed by them under the legal name of the Company.

l) At meetings of the Board of Directors, members shall have the right to request the persons representing the Company and charged with the performance of the Company's business to give information concerning the progress of the Company's affairs and all its transactions.

the Board of Directors shall continue as long as they hold their positions. A same person cannot assume the duties of the General Manager and of the Chairman of the Board of Directors.

**Qualifications:** At least one more than half of the members of the Board of Directors and the executive directors must have the qualifications of the General Manager as required by the Banking Act, must hold civil capacity and be able to exercise the civil rights and must not be hindered by any legal encumbrance against membership.

**Independent Members:** Minimum number and qualifications of the Independent Members to be appointed to the Board of Directors shall be determined pursuant to the corporate governance regulations of the Capital Markets Board.

In case independence is jeopardized in any way within the Independent Board Member's term of office or in case a situation is occurred in which the Independent Member is not able to fulfil his duty, then this member, who lost his independency, shall, in principle, resign within the framework of the Corporate Governance Principles of the Capital Markets Board.

**Oath:** The Chairman and Members of the Board of Directors are obliged to take an oath in accordance with the provisions of the Banking Act following their first election or appointment. Members of the Board of Directors may not take office unless and until they take this oath.

**Fiscal Rights:** The Chairman and Members of the Board of Directors shall receive a monthly or yearly fee or a fixed allowance per meeting (honorarium) to be determined by the General Assembly of Shareholders. Payment plans prepared based on the Company's performance shall not be taken into account for remuneration of the Independent Board Members.

#### **Term of Office of the Board of Directors Members**

#### **Article 23-**

Members of the Board of Directors including

The Board of Directors may also decide that all books and files be submitted to it. Every member may make a written request to the chairman for convention of the Board and in such cases, the chairman shall call the Board of Directors to a meeting.

m) Every member of the Board of Directors shall be obliged to show in his performance of the Company's business the same prudence and activity that would be incumbent upon him in his own affairs and that is customary in business. The Board of Directors possesses the power to act on behalf of the General Assembly of Shareholders in connection with the conduct of all the decisions of the General Assembly. Dismissal of members of the Board of Directors by the General Assembly and the General Assembly's rejection of the transactions performed by the Board shall not vitiate any rights that may have been vested to third parties.

n) In compliance with the pertinent provisions of the Capital Markets Act and other relevant laws and regulations, the Board of Directors is authorized to increase the issued capital up to the registered capital ceiling, and to take decisions on issue of share certificates above the nominal value per share, full or partial restriction of the preemptive rights of the shareholders on the newly issued shares, and issue of bonds and other capital market instruments of indebtedness.

o) The Board of Directors may perform its above duties and execute its above powers either directly or may delegate the same to committees formed or to be formed in accordance with these Articles of Association or to persons permitted by the following article pertaining to delegation of authority.

#### **Delegation of Authority**

**Article 27-** The Board of Directors may divide the duties of administration and representation as well as its powers and authorities among its own members, and likewise, in compliance with the provisions of the Banking Code, it may delegate

Independent Members may be elected by the General Assembly for a term of office of three years utmost. Before election, the General Assembly shall determine the Board of Directors Members' terms of office. The Board of Directors Members may be re-elected when their terms of office have expired. The General Assembly of Shareholders, if deem necessary, may at any time change the Members of the Board of Directors.

If a membership should become vacant due to death, loss of legal capacity, resignation, dismissal or any of the reasons pursuant to the Banking Code, the Turkish Commercial Code and the Corporate Governance Principles of the Capital Markets Board, or other relevant legislation, then, as per the applicable legislation, the Board of Directors shall temporarily appoint a person having the qualifications sought for election to the Board of Directors and submit such appointment for approval at the next meeting of the General Assembly. Upon approval in the next meeting of the General Assembly, a member appointed in this way shall complete the term of office of his predecessor. The member appointed in this way shall have the same term of office as the other members.

#### **Board of Directors Meetings and Quorum**

##### **Article 24-**

The Board of Directors, each year, in its first meeting following the General Assembly of Shareholders elects a Chairman and at least one Vice Chairman who will substitute the Chairman in his absence.

The Board of Directors shall meet as often as needed in the course of business. The Chairman or Vice Chairman of the Board of Directors may, in their sole discretions and initiatives, call the Board of Directors for a meeting. Each of the Board Members may request from the Chairman in writing to call the Board of Directors for a meeting.

Board meetings may be held at the Company's headquarters or in country or abroad.

The persons entitled to participate to the Company's

all or some of the duties of administration to one or more Managing Directors who are Board members or else to a General Manager who need not be a shareholder. If there are more than one Managing Directors, their decisions shall be taken by a simple majority. The duties, authorities, and salaries of Managing Directors shall be indicated in the decisions of the Board of Directors. Such salaries shall be recorded as Company overheads.

### **Prohibited Transactions**

#### **Article 28-**

The current provisions of the Turkish Commercial Code, the Banking Code and the Capital Markets Act shall apply to the business activities and transactions that the chairman and members of the Board of Directors as well as the Chairman and members of the Credit Committee may not engage in.

### **Remunerations Payable To Members of the Board of Directors**

**Article 29-** The Chairman and Members of the Board of Directors shall receive a monthly or annual salary or a fixed remuneration (honorarium) for attendance at each meeting, as determined by the General Assembly of Shareholders.

### **Liability**

**Article 30-** The chairman, Deputy Chairman, and members of the Board of Directors shall be legally liable for the performance of their duties.

### **Duties and Authorities of the Credit Committee**

**Article 31-** The Credit Committee shall be a board of **five** members consisting of the General Manager (or his deputy) and **four** members elected by the Board of Directors among its members at its first meeting following the annual meeting of the General Assembly of Shareholders.

Two alternate members shall also be elected to

Board of Directors' meeting may participate through electronic media pursuant to the article 1527 of the Turkish Commercial Code. The Company may either establish an Electronic Meeting System allowing the related parties to participate in the meetings and to vote through electronic media as per the provisions of the "Communiqué Regarding the Meetings of Commercial Companies Other Than General Assembly Meetings of Joint Stock Companies through Electronic Media" or may purchase services from system providers for this purpose. In the meetings, exercise of the rights granted to the stakeholders by the applicable law must be ensured within the scope of the provisions of the said Communiqué through the system installed or through the system for which the support service will be procured.

Meeting quorum is met with the presence of at least 10 (ten) members in case the General Assembly determines the number of the Board Members as 12 (twelve). Resolutions are passed with the affirmative vote of at least 9 (nine) members. In case number of the Board Members is determined as 14 (fourteen) when appointment of the Independent Members are obligatory, meeting quorum is met with the presence of at least 11 (eleven) members and resolutions are passed with the affirmative vote of at least 11 (eleven) members. In the Board meetings, a Board Member cannot vote as a representative of another Board Member, and they cannot be represented by proxy.

Meeting minutes are drafted and posted to the resolution ledger comprising the issues discussed during the meeting as well as the names of the Board Members who were present, and it is signed by the Members who participated to the meeting.

Unless there is a request for a physical meeting, any and all types of Board of Directors' resolution may be passed by signing of such resolution by at least 9 (nine) members in case there are 12 Board Members or by at least 11 (eleven) members in case there are 14 (fourteen) Board Members.

Provisions of the Corporate Governance Principles issued by the Capital Markets Board are reserved for

serve in place of any Credit Committee member who has good grounds for being unable to participate in any one meeting. This committee shall be charged with performance of the duties specified in the Banking Code. The unanimous decisions of the committee shall be carried out directly by it, while those adopted by a majority vote shall be carried out after they have been approved by the Board of Directors.

The Credit Committee shall be obligated to maintain a committee resolutions register in accordance with the provisions of the Banking Code.

The Credit Committee may decide to extend credit facilities within the limits and authorities delegated and granted by the Board of Directors and within the frame of the rules determined by the Banking Regulation and Audit Board.

The form and rates of payments to be made to the members of the Credit Committee on account of their additional duties shall be decided upon by the General Assembly of Shareholders.

#### **The General Manager and his Deputies**

**Article 32-** The Board of Directors shall appoint a General Manager and a sufficient number of Deputy General Managers from among its members or from outside the Board, bearing the attributes and qualifications specified by the Banking Code and other pertinent laws and regulations.

The General Manager shall be an ex officio member of the Board of Directors and of the Credit Committee. With the same authority and in possession of the right to vote, he shall participate in the meetings and discussions of the Board of Directors and of the Credit Committee.

The conditions of the General Manager's service contract, his salary and other fringe benefits, and his duties and authorities shall be determined by the Board of Directors within the framework of laws and other relevant legal provisions. The General Manager may be appointed and

the resolutions for which the attendance and/or affirmative vote of the Independent Members are required.

In order to be valid, the resolutions must be in writing and signed.

For due keeping of the documentation regarding the Board meetings, a secretariat, serving to all Board Members and reporting to the Board of Directors shall be established.

#### **Duties and Authorities of the Board of Directors**

##### **Article 25-**

The management of the Company, the performance of transactions in the name of the Company, and the power to represent and bind the Company shall belong to the Board of Directors.

As per this Articles of Association, the Banking Code, the Turkish Commercial Code, the Capital Markets Act and the provisions of laws and regulations, the Board of Directors is authorized to take and implement resolutions on all matters which are not assigned to the exclusively authority of the General Assembly or the other bodies within its scope of management and representation authorities.

The Board of Directors, in order to ensure to duly fulfill its duties and responsibilities, shall establish, by taking into consideration the Company needs, committees within the Company and determine committee members and their working principles and procedures as per the Turkish Commercial Code, the Banking Code, the Capital Markets Act and other applicable laws and regulations.

The Board of Directors, through an internal guideline to be issued, is authorized to delegate the management, partially or wholly, to one or several Board Member(s) or to a third party.

The Board of Directors may delegate its representation authorities to one or several executive directors or third party managers provided that at least one Board

contractually employed for a period of time that exceeds the term of office of the members of the Board of Directors. Dismissal of the General Manager and Deputy General Managers shall also be effected by the Board of Directors. Appointments and dismissals shall be registered and announced by the Board of Directors.

Names of the persons to be appointed as the General Manager or Deputy General Manager shall be notified to the Banking Regulation and Audit Administration, together with the documents evidencing that they bear the qualifications sought for by the Banking Code.

Appointments shall be made in accordance with the proviso of the Banking Code.

#### **Authorities**

**Article 33-** The General Manager is the Company's highest administrative and executive officer in authority after the Board of Directors and the Credit Committee and he takes his power and authorities from the Board of Directors. The General Manager shall conduct and manage all the Company's affairs and business within the framework of the provisions of these Articles of Association as well as of the decisions of the Board of Directors and of the Credit Committee and he shall represent the Company. He is authorized with and responsible for overseeing the progress of the Company's transactions and whether or not they are being properly conducted and managed and taking all measures he considers appropriate for this purpose.

### **SECTION FOUR**

#### **THE STATUTORY AUDITORS**

##### **Election of the Statutory Auditors**

**Article 34 -** At least two Statutory Auditors, who shall be charged with audits in accordance with the provisions of these Articles of Association and of various laws, shall be elected each year by the General Assembly of Shareholders to serve for a

Member shall keep the representation authority.

The followings are the non-assignable and inalienable duties and powers of the Board of Directors:

- a. High-level management of the Company and the power to give relevant instructions.
- b. Determining the management organization of the Company.
- c. Establishing necessary organization for the accounting and financial planning and management and audit of the Company.
- d. Appointment and dismissal of managers and other managerial-level personnel, and persons who hold representation and binding signatory powers.
- e. High-level supervision of management staff whether or not they comply with the legislations, the Articles of Association, internal guidelines and instructions of the Board of Directors.
- f. Keeping share ledger, Board of Directors resolution ledger and General Assembly meeting minutes; issuing the annual activity report and statement regarding compliance with corporate governance rules; submitting the same to the General Assembly; preparing the General Assembly meetings; and implementing General Assembly meeting resolutions.
- g. Notifying the court if the share capital of the Company is in debt
- h.

#### **Representation of the Company**

##### **Article 26-**

The representation of the Company pertain to the Board of Directors. The Board of Directors may delegate partially or totally the management and representation authority of the Company to persons who are members or not of the board and to the employees of the Company when necessary. The authorities to be delegated and the terms and conditions for their exercise shall be registered with and published on the Trade Registry.

In order for documents and statements written and issued in the name of the Company, as well as any and

term of office of maximum three years. Before their election, the General Assembly shall first determine the number of Statutory Auditors and their term of office.

The Statutory Auditors must be chosen from among persons who have university degree and who are knowledgeable and experienced in the fields of banking, law and accounting.

Statutory Auditors whose terms of office expire may be reelected.

The General Assembly shall decide upon the salaries to be paid to the Statutory Auditors.

The election, appointment and replacement of Statutory Auditors shall be registered and announced by the Board of Directors.

Statutory Auditors may not be elected to seats on the Board of Directors, nor may they be employees or contracted personnel of the Company, without first resigning from their positions as auditors. Members of the Board of Directors whose terms of office have expired cannot be elected as Statutory Auditors until they have been acquitted of their responsibilities by the General Assembly of Shareholders.

In the event that the position of one of the Statutory Auditors is vacated for any reason whatsoever, the remaining Auditor shall elect another in his place who possesses the qualifications required by law to serve until the next meeting of the General Assembly.

#### **Duties of the Statutory Auditors**

**Article 35-** The Statutory Auditors shall be obligated to perform the duties stipulated in the Turkish Commercial Code, the Banking Code, and in these Articles of Association. In performing these duties, they shall possess the authority to examine and audit all the accounts and transactions of the Company. They may examine and check on site all of the Company's books, correspondences, documents and memoranda. At the end of every year, the Statutory Auditors shall prepare and submit to the General Assembly a report covering their opinions on the

all types of agreements and contracts entered into on behalf of the Company to be valid and binding on the Company and to represent the Company, they must be signed by those persons whose degree, place, and form of signing authority have been designated and granted by the Board of Directors and the manner of whose signature has been duly registered and announced and their signatures must be affixed under the title of the Company.

#### **Credit Committee, Duties and Authorities**

##### **Article 27-**

The Credit Committee is a board consisting of five members being the General Manager or his deputy and four members elected by the Board of Directors among its members at its first meeting following the annual meeting of the Ordinary General Assembly of Shareholders.

Two alternate members shall also be elected to serve in case any Credit Committee member who is absent due to his reasonable grounds. This Committee is responsible for performance of the duties specified in the Banking Code and other related legislation. The unanimous decisions of the Committee shall be directly implemented, while those adopted by a majority shall be implemented after the approval of the Board of Directors.

The Credit Committee is obliged to keep a committee resolutions book in accordance with the provisions of the Banking Code.

The Credit Committee may decide to extend credit facilities within the limits and authorities delegated by the Board of Directors within the frame of the rules determined by the Banking Regulation and Supervision Agency.

#### **Audit Committee, Duties and Authorities**

##### **Article 28-**

An Audit Committee is established by the Board of Directors in order to assist the Board of Directors for the execution of the audit and supervision activities.

Company's financial situation and standing, on the balance sheet and other accounts drawn up by the Board of Directors, and on the report of the Board of Directors with regard to the profit distribution proposal, and on other documents. The General Assembly may not take any decision on the balance sheet so long as such a report has not been received. If in the course of the performance of their duties the Statutory Auditors discover deficiencies or malfeasances pertaining to the business of management or acts that are contrary to the provisions of law or of these Articles of Association, they shall be under an obligation to notify the immediate superior of the responsible persons, as well as the Chairman of the Board of Directors and in important situations, they shall notify the General Assembly as well. In addition, in compelling and urgent situations, they shall be required to call the General Assembly for a meeting.

At the request of shareholders who hold at least ten percent interest in the Company's capital stock and who have entrusted share certificates representing this amount to a reputable bank, the Statutory Auditors shall be obligated to call the General Assembly for extraordinary meeting and to place on the agenda thereof the items which are the subject of this request.

The Statutory Auditors may attend the meetings of the Board of Directors without participating in its discussions or voting thereat. They may also submit proposals to the Board of Directors and have them placed on the agendas for ordinary and extraordinary meetings of the General Assembly of Shareholders.

In the event that the Statutory Auditors witness acts on the part of the Chairman and members of the Board of Directors, of the members of the Credit Committee, and of Company managers and employees that are contrary to the provisions of law and of these Articles of Association, they shall be obligated to indicate them in a report, based on documentary evidence thereof, that they will draw up and address to the General Assembly of Shareholders.

The Audit Committee consists of at least two members. Members of the Audit Committee are elected among the Board Members having the qualifications stipulated in the applicable laws and regulations. Members of the Audit Committee must meet the qualifications required by the Banking Regulation and Supervision Agency.

The Audit Committee, on behalf of the Board of Directors, is delegated with and responsible for supervising the sufficiency and efficiency of the Company's internal control, risk management and internal audit systems, for supervising the operation and integrity of the generated information of those systems and the accounting and reporting systems as per the Banking Code and other relevant legislation, pre-assessing the appointment of the independent auditors, regular monitoring the activities of the appointed independent auditors, maintaining the consolidated internal control functions of the entities subject to consolidated audit as per the Banking Code and ensuring the coordination.

#### **General Manager and Assistant General Managers**

##### **Article 29-**

The Board of Directors shall appoint a General Manager and a sufficient number of Assistant General Managers having the attributes and qualifications specified by the Banking Code and other pertinent laws and regulations. A Deputy General Manager may be appointed if needed. The persons to be appointed as such must be notified to the BRSA along with the documents evidencing that they meet the qualifications required by the Banking Code. The appointments shall be made as per the provisions of the Banking Code.

The General Manager, in his absence the Deputy General Manager, shall be a natural member of the Board of Directors and of the Credit Committee.

The General Manager may be appointed and contractually employed for a period of time that exceeds the term of office of the Members of the Board of Directors. Dismissal of the General Manager, Deputy General Manager and Assistant General Managers shall also be effected by the Board of Directors.

The Statutory Auditors shall be obligated to send one copy of these reports to the Undersecretariat of the Treasury and Foreign Trade within one week from the date thereof.

In addition to the annual report that the Statutory Auditors draw up for the General Assembly of Shareholders in accordance with the provisions of the Turkish Commercial Code, they shall also be obligated to draw up reports once every three months concerning the situation of the Company with regard to said code and other legislation and to send their reports to the Company's Board of Directors and to the Undersecretariat of the Treasury and Foreign Trade within one month following the end of the pertinent period.

#### **Special Auditors**

**Article 36-** The General Assembly may, when necessary, appoint a special "ad hoc" auditor for examination and inspection of a number of particular matters. The pertinent provisions of the Turkish Commercial Code are, however, reserved.

The Bank shall further carry on audit by a sufficient number of inspectors and through an effective and efficient internal audit system and risk control and management system.

#### **Liability**

**Article 37-** Statutory Auditors may not divulge either to individual shareholders or to third parties any of the matters which come into their knowledge in the course of performance of their duties.

The Statutory Auditors shall be responsible for the conduct of the duties entrusted to them by laws and by these Articles of Association.

### **SECTION FIVE**

#### **THE GENERAL ASSEMBLY OF SHAREHOLDERS**

##### **The General Assembly of Shareholders**

**Article 38-** The shareholders shall assemble in

Appointments and dismissals shall be registered and announced by the Board of Directors.

The General Manager is the Company's managing and executive officer and he takes his power and authorities from the Board of Directors, the General Manager shall conduct and manage all the Company's acts and transactions within the framework of the provisions of this Articles of Association, the decisions of the Board of Directors and of the Credit Committee and he shall represent the Company; he is authorized with and responsible for overseeing the progress of the Company's acts and transactions and whether or not they are being duly conducted and managed and taking all measures he considers appropriate for this purpose.

#### **Corporate Governing Principles**

##### **Article 30-**

The Corporate Governance Principles shall comply with Regulations of the Banking Regulation and Supervision Agency and the Capital Markets Board.

#### **Prohibited Transactions**

##### **Article 31-**

The Chairman and members of the Board of Directors as well as the Chairman and members of the Credit and Audit Committees, the General Manager, the Deputy General Manager and the Assistant General Managers comply with the provisions of the Turkish Commercial Code, the Banking Code, the Capital Markets Act and other related laws and regulations on the acts and transactions that may not engage in.

### **SECTION FIVE**

#### **AUDIT OF THE COMPANY**

##### **Auditor**

##### **Article 32-**

The General Assembly of Shareholders shall elect an Auditor and a Group Auditor for the group companies among those meeting the terms and conditions sought in the Turkish Commercial Code, the Banking Code, the

ordinary and extraordinary meetings as the General Assembly of Shareholders to exercise the rights granted to them by the Turkish Commercial Code, the Banking Code, and these Articles of Association. General Assemblies convened in accordance with the provisions of law and these Articles of Association shall adopt the necessary resolutions and the decisions made at General Assemblies so convened shall be legally binding not only for the dissenters but also for those who were absent from the meeting.

Ordinary meetings of the General Assembly shall be held within three months following the closing of the fiscal year and in any case, once a year. At these meetings, the Company's transactions for the year as well as its balance sheet and profit and loss accounts shall be examined and decided upon.

#### **Invitations and Agenda for Meetings**

**Article 39-** Ordinary meetings of the General Assembly shall be convened upon invitation of the Board of Directors.

The agenda for this meeting must include the following matters:

- a) Reading of the reports presented by the Board of Directors and by the Statutory Auditors;
- b) Approval, admission of amendment or rejection of the Company's balance sheet and profit and loss statement and of proposals concerning the distribution of profit;
- c) Determination of salaries and remunerations payable to Members of the Board of Directors and Members of the Credit Committee and Statutory Auditors;
- d) Reelection or replacement of Members of the Board of Directors and the Statutory Auditors whose terms of office have expired;
- e) Other matters which are deemed necessary by the Board of Directors; and
- f) Proposals made through written demands (indicating the reasons for their necessity) put forth by shareholders whose total shareholdings amount to at least one-twentieth of the Company's capital stock.

Capital Markets Act and other relevant regulation, to audit the Company's and the group companies' financial statements and any other reports required to be audited under the legislation including annual activity report of the Board of Directors. The Auditor and the Group Auditor can be the same person. If no Group Auditor is appointed, the Auditor is considered to be the auditor of the group companies' financial statements. The elected Auditor shall be registered and published in the Turkish Trade Registry Gazette and announced on the Company's web site.

#### **Special Auditor**

##### **Article 33-**

The provisions of the Turkish Commercial Code and other applicable legislation shall apply to the appointment of Special Auditor.

#### **SECTION SIX**

#### **FINANCIAL PROVISIONS**

##### **Fiscal Year, Financial Statements**

##### **Article 34-**

The Company's fiscal year is the calendar year, beginning on the first day of January and ending on the last day of December.

At the end of each fiscal year, the financial statements showing the Company's financial standing shall be drawn up as required by the provisions of the Banking Code in accordance with the formula determined by the concerned authorities and with the provisions of current legislation.

The financial statements, the annual report drafted by the Board of Directors and its proposals concerning how net profit is to be distributed and the determination of the date of distribution, and the report of the Auditor shall be made available for examination of the shareholders at the Company's headquarters and branches as of the announcement of the ordinary meeting of the General Assembly of Shareholders, and the same shall be available by electronic means for the

Extraordinary meetings of the General Assembly shall be called by the Board of Directors or -in compelling and urgent situations- by the Statutory Auditors. The Board of Directors shall also be obligated to convene the General Assembly for an extraordinary meeting upon written demands (indicating the reasons for the necessity) put forth by shareholders whose total shareholdings amount to at least one-twentieth of the Company's capital stock. In the event that the Board of Directors fails to comply with this obligation, then upon application by shareholders with a total interest of at least one-twentieth, the Statutory Auditors must make the call to meeting. In situations where neither the Board of Directors nor the Statutory Auditors make the invitation, the shareholders may do so themselves by obtaining a court order from a competent court at the location of the Company's headquarters.

Upon the written demand (indicating the reasons for the necessity) put forth by shareholders whose total shareholdings amount to at least one-twentieth of the Company's capital stock, items that they wish to have discussed must be included by the Board of Directors in the agenda of a General Assembly whose meeting has been decided upon. Nevertheless, this demand must be made before the formally announced invitation to the meetings. Matters not included in the agenda may not be discussed.

The provisions of Article 370 of the Turkish Commercial Code are, however, reserved.

### Announcements

**Article 40-** Announcements concerning the Company shall be made through a newspaper circulated at Company's headquarters, without prejudice to the provisions of the Capital Markets legislation and provided that the provisions concerning the announcement in the Turkish Commercial Registry Gazette are reserved pursuant to paragraph 4 of Article 37 of the Turkish Commercial Code.

The agenda of the General Assembly meetings will be prepared and announced by the Board of Directors. These announcements, also indicating

shareholders' review on the Company's web site.

The financial statements shall be at the disposal of the shareholders for a period of one year following the meeting.

### Dividend Distribution

#### Article 35-

The amount remaining after taxes have been deducted from the trade profit which is the amount after deduction from the revenues of the Company from its transactions within the fiscal year, of any and all expenses; amounts of depreciation; interests and commissions paid; salaries, wages, bonuses and all other similar overheads paid to the Company's employees; all other expenses incurred for the management and conduct of the Company's business; as well as any and all kinds of socially and philanthropically-oriented payments, provisions and reserves shall represent the Company's fiscal year's net profit. The provisions of the Turkish Commercial Code, Capital Markets Act and other relevant regulation are however reserved for the calculation of the fiscal year's net profit.

As a rule no profit may be distributed unless and until the accumulated losses from previous years are off-set.

Of the fiscal year's net profit calculated as above;

A)

1- 5 % shall be set aside as a general legal reserve; until the reserve amount equals to twenty percent of the issued capital,

2- 5 % of the issued capital shall be set aside as a first dividend from the balance.

B) Of the amount of net profit remaining after deduction of the legal reserves, and first dividend stipulated in the paragraph (A) above;

1- 7% of part corresponding to 60,000 (sixty thousand) shares worth TL 30,000,000 (thirty million Turkish Liras) corresponding to the Company's capital in 1980 prior to the most

the place, date and time of the meeting, will be published in the newspapers referred to in the first paragraph hereabove no later than fifteen days prior to the date of meeting.

#### **Place of Meeting**

**Article 41-** Meetings of the General Assembly of Shareholders shall convene at the Company's headquarters or at some other suitable place in the city where the Company's headquarters is located. This matter shall be indicated in the letters and announcements calling the meeting.

#### **Meeting Quorum**

**Article 42 –** Meetings of the General Assembly of Shareholders and the decision quora thereat are governed by and subject to the provisions of the Turkish Commercial Code and specific provisions of the Capital Markets Act, without prejudice to the provisions of the Banking Code.

However, the meeting quorum specified in Article 372 of the Turkish Commercial Code will be applied on the General Assembly meetings to be convened for the issues listed in second and third paragraphs of Article 388 of the Turkish Commercial Code.

While the shares of stock belonging to the members of the Board of Directors shall be considered in determining meeting quorum for the approval of the balance sheet and in matters pertaining to the liabilities of the members of the Board of Directors, they shall not entitle their owners the right to vote on such matters. Similarly, other shareholders may not exercise their voting rights in matters that are of concern to themselves, to their ascendants and descendants, and their spouses; nor may shareholders who participate in the conduct of the Company's business, vote in decisions concerning the acquittal of the Board of Directors of its liabilities. This prohibition shall not apply to the Statutory Auditors.

recent capital stock increase based on the 1982 amendment of the Articles of Association, may be distributed to the holders of founder's jouissance shares;

- 2- 10% utmost thereof may be distributed to the members of the Board of Directors;
- 3- 10% utmost thereof may be distributed to the Bank's employees.
- 4- The General Assembly of Shareholders has the authority to decide whether all or part of the balance is to be distributed as a dividend to the shareholders or whether all or part of it is to be added to the extraordinary reserves.
- 5- Following the distribution of the dividend of five percent to the shareholders set forth under article A paragraph 2 above, ten percent of the total amount to be distributed from the net profit to other stakeholders shall be added to the legal reserves.

The General Assembly of Shareholders has the authority to decide whether the dividends mentioned in paragraphs (A) and (B) above other than the legal reserves and provisions are to be either distributed or retained and added to the extraordinary reserves.

Provided that there is a net profit which may be distributed, the holders of founder's jouissance shares shall receive their dividend shares even if the Company has resolved not to distribute dividend.

In accordance with the the law and this Articles of Association, all shareholders are entitled to participate to the net profit which will be distributed in accordance with the provisions of the Turkish Commercial Code and the Capital Markets Act pro rata to his shareholding in the company's share capital.

#### **Legal Reserves**

##### **Article 36-**

Each year five percent of the net profit must be set aside as legal reserve until the reserve amount reaches to twenty percent of the issued capital.

The legal reserves may only be used to offset losses, to take necessary measures to keep the enterprise functioning or to avoid the unemployment and to

**Votes**

**Article 43-** Each shareholder participating in meetings of the General Assembly of Shareholders shall be entitled to one vote for each share he holds. One may vote through proxies. The provisions of the Banking Code in connection therewith are, however, reserved. Proxies must themselves be shareholders and entitled to vote and at least one week before the date of the meeting, they must present to the Company a power of attorney issued in accordance with the Capital Markets legislation, together with a statement showing the number of shares, before election of the Chairmanship Committee in the meeting of the General Assembly of Shareholders at the latest. Legislative arrangements of the Capital Markets Board pertaining to the form of powers of attorney and the voting in proxy are, however, reserved.

However, if a shareholder is a government organization, an incorporation, an establishment possessing a legal identity, or a person placed under guardianship, then there shall be no need for a separate power of attorney, and it shall be sufficient to evidence and document the right of representation in accordance with the pertinent legislation. The voting rights belonging to shares held by more than one owner may be exercised only by a single joint representative of them. Transfer of shares to another person for use of votes in the General Assembly meetings with a view to eliminating or avoiding any of the restrictions or limitations on voting rights will be null and void.

At meetings of the General Assembly of Shareholders, votes shall be used by show of hands. However, if the majority of shareholders present so request, balloting method will be applied.

In the case of balloting, the ballots shall be drawn up, for each agenda item that is to be decided upon, indicating the number of votes possessed by the shareholders present, in such a way as to ensure secrecy. These ballots shall be distributed

mitigate its impacts at the times of embarrassed business until it reaches to the half of the issued capital. In the event of the depletion of the legal reserves as a result of such offsetting, legal reserves shall continue to be set aside until the deficiency has been eliminated. The provisions of the Banking Code are however reserved.

In case the Company duly acquires its own shares in accordance with the relevant legislation, legal reserves amounting to the acquisition price of those shares shall be set aside. Those legal reserves shall be dissolved in the amount of the acquisition price in case the said shares are transferred or removed. The provisions of the Banking Code, the Turkish Commercial Code and the Capital Markets Act and other applicable legislation are however reserved.

**SECTION SEVEN****MISCELLANEOUS****Company Officers and Prohibitions****Article 37-**

The Company's employees or workers may not, in any way, disclose the confidential information pertaining to the Company or to the persons doing business with the Company and they may not assume other duties without the Company's approval.

**Termination of the Company's Activities****Article 38-**

The provisions of the Turkish Commercial Code, the Capital Markets Act and the Banking Code shall apply to the termination or dissolution of the Company, its liquidation, the appointment and dismissal of the liquidators and the consequences of its liquidation.

**Competent Jurisdiction****Article 39-**

The judicial authorities of the place where the Company's headquarter located in shall be competent to resolve any dispute that may arise between the

to the shareholders present at the meeting by the Chairman and vote-collectors of the General Assembly. The Board of Directors shall take the necessary measures in order to determine whether or not shareholders have the right to participate in the meeting and the discussions therein and to cast votes thereat.

Shareholders holding less shares of stock than the number of shares required to participate in meetings of the General Assembly of Shareholders, may choose from among themselves a proxy to represent them jointly.

### Sessions

**Article 44-** A roster indicating the signatures, names, surnames, residences and number of shares of the shareholders or of their proxies or their representatives, and signed by the Chairman shall be drawn up and, before the taking of the first vote, hung in a place where it will be visible to those present.

Meetings of the General Assembly shall be presided over by the Chairman or the Vice Chairman of the Board of Directors or in their absence by someone elected by the General Assembly from among the members of the Board of Directors. In addition, the General Assembly shall also elect by simple majority two vote collectors and two secretaries.

The Chairman may decide to continue the meeting in the form of a series of sessions until decisions have been adopted by the General Assembly on all the matters included in the agenda. Upon demand of a majority of those present or by minority whose total shareholdings amount to at least one-twentieth of the Company's capital stock, discussions on the ratification of the balance sheet shall be postponed for one month; notification thereof shall be made to the shareholders as stipulated in Article 40 of these Articles of Association, and in addition, the matter shall be duly announced. Nevertheless, in order for discussions to be postponed a second time upon demand of a minority whose total shareholdings amount to at least one-twentieth of the Company's capital

shareholders or jouissance right holders and the Company in connection with the shares.

### Validity of the Legal Provisions

#### Article 40-

The provisions of the Turkish Commercial Code, the Banking Code, the Capital Markets Act and other applicable laws and legislation shall apply on all matters not specified in this Articles of Association.

stock, the points on the balance sheet that are being objected to must still remain insufficiently explained.

#### **Decision Quorum**

**Article 45-** Decisions at meetings of the General Assembly shall be adopted by a majority of votes of those present. This majority rule shall also apply to the election of the members of the Board of Directors and of the Statutory Auditors.

If majority cannot be obtained in the election of members to the Board of Directors, the matter shall be resubmitted to vote. In this second election, those who receive a plurality of votes shall be elected to positions on the Board which are determined by the number of votes obtained. In the event of ties, lots shall be drawn.

#### **Amendments to the Articles of Association**

**Article 46-** The meeting and decision quora at meetings of the General Assembly held to amend provisions of these Articles of Association shall be subject to the provisions of the Turkish Commercial Code. The pertinent provisions of the Banking Code are, however, reserved.

Before the General Assembly can be convened to amend these Articles of Association, an approbation from the Banking Regulation and Audit Administration, and an approval from the Capital Markets Board, and a permission of the Ministry of Industry and Commerce must first be obtained for the text of the amendment.

#### **Minutes of the Meeting**

**Article 47-** In order for the decisions adopted by the General Assembly to be binding, minutes must be taken indicating the nature and the consequences of the resolutions passed. These minutes shall be signed by the shareholders participating in the voting, as well as by the representatives of the Ministry of Industry and Commerce and of the Undersecretariat for the Treasury and Foreign Trade. Shareholders who participate in the voting may authorize the

Chairman and Vote-counters of the Chairmanship Committee of the General Assembly meeting to sign the minutes.

A roster signed by the Chairman and indicating the names and surnames of the shareholders or their representatives present at the meeting, shall be attached to the minutes as well as documents indicating that the invitation to the meeting was duly made or else statements to that effect shall be included.

While the Board of Directors may present a certified copy of these minutes immediately to the Commercial Registry Office, it shall be obligated to register and announce such matters contained therein as they are subject to registration and announcement.

Matters that are contained in the decisions of the General Assembly concerning the amendment of these Articles of Association, and whose registration is obligatory, shall be registered by the Board of Directors with the Commercial Registries of the places where the Company's headquarters and branches are located and matters that are subject to announcement shall be separately announced. Decisions to amend the Articles of Association shall have no legal force until they have been duly registered.

#### **Notification of Meetings to Related Authorities**

**Article 48-** The Ministry of Industry and Commerce and also the Banking Regulation and Audit Administration and the Istanbul Stock Exchange Market must be notified of ordinary and extraordinary meetings of the General Assembly of Shareholders. Copies of the meeting's agenda and of other documents pertaining thereto shall also be presented to the said authorities, in the same manner.

### **SECTION SIX**

#### **ACCOUNTS AND DISTRIBUTION OF DIVIDENDS**

##### **The Fiscal Year**

**Article 49-** The Company's fiscal year shall be the

calendar year, beginning in the first day of January and ending in the last day of December.

#### **Balance Sheet and Profit and Loss Statements**

**Article 50-** At the end of each fiscal year, a balance sheet and a profit and loss statement showing the Company's financial standing shall be drawn up as required by Article 51/2 of the Banking Code in accordance with the formula determined by the concerned authorities and with the provisions of current legislation.

The balance sheet, the profit and loss statement, the annual report arranged by the Board of Directors and its proposals concerning how net profit is to be distributed and the determination of the date of distribution, and the report by the Statutory Auditors shall be made available for examination of the shareholders at the Company's headquarters and branches at least fifteen days before the ordinary meetings of the General Assembly of Shareholders.

Profit and loss statement, balance sheet and annual reports shall be kept available to shareholders for a period of one year following each meeting. Invitations to the meeting that are sent to registered stockholders whose address is known shall contain a separate indication of this matter.

#### **Announcement of the Balance Sheet and Provision of Information**

**Article 51-** One copy each of the balance sheet and of the profit and loss statement certified by the independent audit firms and the Statutory Auditors shall be sent, together with those of the reports of the Board of Directors and of the Statutory Auditors, within three months following the date of the annual ordinary General Assembly Meeting, to the Republic of Turkey, Prime Ministry, Treasury Undersecretariat, the Ministry of Industry and Commerce, and the Central Bank of the Republic of Turkey, after which they shall be announced in the Official Gazette and in a newspaper published nation-wide.

In addition, account statements prepared in accordance with the principles and the format

given in Article 56/1 of the Banking Code shall be sent quarterly to the Republic of Turkey, Prime Ministry, Treasury Undersecretariat and the Central Bank of the Republic of Turkey pursuant to the provisions of Paragraph 2 of the Article 56 of the Banking Code.

The financial statements and reports envisaged in the Capital Markets legislation, as well as the independent audit report, shall be publicized and separately delivered to the Capital Markets Board in accordance with the procedures and principles set forth in the relevant legislation.

#### **Distribution of Dividends**

**Article 52-** The amount remaining after taxes have been deducted from the trade profit, which is the amount after deduction, from the revenues of the Company from its transactions during the balance sheet period, of any and all expenses; amounts of depreciation; interests and commissions paid; salaries, wages, bonuses, and all other similar overheads paid to the Company's employees; all other expenses that must be incurred for the management and conduct of the Company's business; as well as any and all kinds of socially and philanthropically-oriented payments; and reserves shall be equal to the Company's net profit.

Of the net profit calculated as above :

A) 1- 5 % shall be set aside as a legal reserve;

2- From the balance, a portion of 5 % of the paid-in capital shall be set aside as a first dividend.

B) Of the amount of net profit remaining after deduction of the legal reserves, and first dividend stipulated in the paragraph (A) above:

1- 7 %, corresponding to the 60,000 (sixty thousand) shares worth TL 30,000,000 (thirty million lira) prior to the most recent capital stock increase may be distributed to the holders of founder's jouissance shares;

2- a maximum of 10 % thereof may be distributed to the members of the Board of Directors;

3- a maximum of 10 % thereof may be distributed to the Bank's managers, employees and unqualified employees;

4- The General Assembly shall have the authority to decide whether all or part of the balance is to be distributed as a dividend to the shareholders or whether all or part of it is to be added to the extraordinary reserves.

5- The provisions of Subparagraph 3 of Paragraph 2 of Article 466 of the Turkish Commercial Code are, however, reserved.

The General Assembly shall have the authority to decide whether the dividends mentioned in paragraphs (A) and (B) above excluding the legal reserves and provisions are to be distributed or else to be retained and added to the extraordinary reserves.

Dividends shall be allocated and distributed equally to all of the shares as of the end of the fiscal period, irrespective of the dates of their issuance or acquisition.

#### **Legal Reserves**

**Article 53-** Each year one-twentieth of the net profit must be set aside as a legal reserve until the reserve is equal to one-fifth of the paid-in capital.

These provisions can only be used to offset losses. In the event of their depletion as a result of such offsetting, funds shall continue to be set aside until the deficiency has been eliminated.

The provisions of Subparagraph 3 of Paragraph 2 of Article 466 of the Turkish Commercial Code as well as of the provisions of the Banking Code are, however, reserved.

**Article 54 - (Repealed)**

### **SECTION SEVEN**

#### **TERMINATION OF THE COMPANY'S ACTIVITIES**

##### **Decision of Dissolution**

**Article 55-** In the event that it becomes necessary for any reason whatsoever for the Company to be dissolved and liquidated, the General Assembly shall be convened for an extraordinary meeting and a decision shall be made on the matter. The procedures to be followed in the decision to dissolve the Company shall be subject to the provisions of the Turkish Commercial Code as well as to the pertinent provisions of the Banking Code.

#### **Liquidators**

**Article 56-** Liquidation procedures shall be carried out by two or more liquidators. These liquidators shall be appointed or elected by the General Assembly.

Liquidators shall be authorized to sign on behalf of the Company in liquidation. Liquidators shall be obligated to report on the progress of liquidation to the Banking Regulation and Audit Administration at intervals which the Administration deems suitable.

The Banking Regulation and Audit Administration is authorized to audit the liquidation proceedings and to request all kinds of documents and information if and when deemed necessary.

Sworn Bank auditors and their assistants shall possess the authority to examine liquidation procedures within the framework of the provisions of the Banking Code.

#### **The Liquidation Proceeds**

**Article 57-** If any assets remain after the conduct of liquidation procedures, these shall be divided among the stockholders in accordance with the provisions of the Turkish Commercial Code and in proportion to their shares in the paid-in capital.

**SECTION EIGHT**

**MISCELLANEOUS PROVISIONS**

**Article 58-** (Repealed)

**Company Officers and Prohibitions**

**Article 59-** The Company's officers or unqualified employees cannot in any way divulge privileged information pertaining to the Company or to persons doing business with the Company. Without the Company's consent, they may not assume other duties.

**Article 60-** (Repealed)

**Applicable Laws**

**Article 61-** The provisions of the Turkish Commercial Code, the Banking Code, the Capital Markets Act and other current laws and legislation shall apply on all matters not specified in these Articles of Association.