

**Türkiye İş Bankası A.Ş.**  
**Articles of Incorporation**  
**SECTION ONE**  
**Formation**

**Founders**

**Article 1** - For the purposes referred to in Article 2 hereof, a Turkish Corporation has been formed between Messrs. Mahmud Celal, former Minister of Economy and former Minister of Immigration, Reconstruction and Settlement; Mahmut, Deputy for Siirt; Hüseyin Beyzade İbrahim; Mora Yenişehirli Zade Ethem Hasan; İhsan, Deputy for Cebelibereket; Hanif Zade Ahmet, merchant; Edirneli Emin; Sükkeri Zade Tevfik Paşa; Süreyya Emir Paşa; Hafiz Halid, cloth merchant; Hasan, Deputy for Trabzon; Rıdvan Zade Hasan; Kavalalı İbrahim Paşa Zade Hüseyin; Attar Zade Rasim; Rasim, Deputy for Sivas; İnegöllü Zade Mehmet Saffet; Çubukçu Zade Mehmet Suphi; İnegöllü Zade Mehmet Refet; Uşaki Zade Mahmut Muammer; Altı Ağa Zade Mustafa, merchant; Necib, merchant in pharmaceuticals; Yelkencizade Lütfi; Rahmi, Deputy for İzmir; Muhabibecioğlu Zade Rıza; Kinacı Zade Şakir; Salih, Deputy for Yozgat; Nemli Zade Sıdkı; Akif Paşa of Yozgat; Hacı Ebubekir Zade Osman; Ali Ramiz and Co.; Remzi Zade Ferid; Fikret, M.D., Deputy for Ertuğrul; Fuad, Deputy for Rize; Kılıç Ali, Deputy for Gaziantep; Avunduk Zade Mahmut; Ragıp Paşa Zade Şakir; and the holders of share certificates to be issued in accordance with these Articles of Incorporation.

**Objects**

**Article 2** - The Corporation has been formed in order to deal in the following transactions:

- a- To effect all kinds of banking transactions,
- b- To set up or participate in all types of ventures concerning agriculture, industry, mining, the production and distribution of power, public works, transportation, insurance, tourism, exports.
- c- To found companies for the production, manufacture and procurement of all type of goods or supplies, or to participate in enterprises engaged therein.
- ç- To undertake and carry out all types of industrial and commercial transactions in its own name and for its own account as well as jointly with domestic and foreign institutions or in the name and for the account of such institutions.

Should it be deemed necessary for and to the advantage of the Bank, these Articles of Incorporation shall be amended, upon the proposal of the Board of Directors, to engage in activities other than those indicated above.

**The Name and Head Office of the Corporation**

**Article 3** - The name of the Corporation is “Türkiye İş Bankası Anonim Şirketi”. The Head Office is located in İstanbul. The address is İş Kuleleri 34330 Levent/İstanbul. If there is a change in the address of the Head office, the new address is to be registered at the commercial register and be published in the Trade Registry Gazette and also The Capital Markets Board shall be informed. Notifications that are delivered to the registered and published address shall be considered as delivered to the Corporation. If the Corporation moves from its registered and published address, but does not register its new address within the given period of time, it would be considered as a cause for dissolution.

In accordance with the provisions of the Banking Law and the resolution of the Board of Directors, branch offices, agencies and stationary or mobile offices may be opened and may have correspondents everywhere in Turkey and in foreign countries.

### **The Duration of the Corporation**

**Article 4** - The duration of the Corporation is unlimited.

## **SECTION TWO** **Capital and Share Certificates**

### **Capital**

**Article 5** - The Corporation has accepted the registered Capital system pursuant to the provisions of the Capital Market Law, and adopted the registered Capital system as per the Capital Market Board permission dated 6.3.1997 and Nr.2683. The maximum level of registered Capital of the Corporation is TRY 25,000,000,000 (twentyfive billion).

The issued and fully paid Capital of the Corporation is TL 10,000,000,000 (ten billion) and TL 1,000 of it is composed of Group (A) shares each of which worth 1 Kurus, TL 29,000 of it is composed of Group (B) shares each of which worth 1 Kurus and TL 9,999,970,000 of it is composed of Group (C) shares each of which worth 4 Kurus.

The registered Capital maximum level permission granted by the Capital Market Board is valid between 2023 and 2027 (5 years). Even if the registered Capital maximum level is not reached by the end of 2027; the Board of Directors, in order to be able to resolve for another Capital increase after 2027, is obliged to obtain permission from the Capital Markets Board for the previously permitted or a new maximum level amount and then obtain authorization from the General Assembly for a new time period which shall not be more than five years. Unless such authorization is received, a Capital increase cannot be made by a resolution of the Board of Directors.

The Board of Directors is authorized to increase the issued Capital by issuing registered shares up to the maximum level of the registered Capital in accordance with the provisions of the Capital Market Law and the relevant legislation, whenever it deems necessary

However, no new shares can be issued unless all the issued shares are sold and their values are collected.

All the shares of the Corporation are strictly required to be issued in return for cash; all of them must be registered.

### **Provisional Share Certificates**

**Article 6** - The shares are registered.

## **The Form of Share Certificates**

**Article 7** - Removed from the Articles of Incorporation.

## **Majority of Capital**

**Article 8** - Majority of the capital shall be owned by Turkish nationals.

## **Payment of Shares**

**Article 9** - Removed from the Articles of Incorporation.

## **Cancellation of Unpaid Shares and Admittance of New Shareholders**

**Article 10** - Removed from the Articles of Incorporation.

## **Payment Before Call**

**Article 11** - Removed from the Articles of Incorporation.

## **Share Transfer**

**Article 12** - Registered shares shall be transferred according to the legislation.

Share transfer: The share transfer is allowed on the condition that the relevant articles of Turkish Commercial Code, the Capital Markets legislation, the Banking Act and the relevant legislation as well as the provisions hereof remain reserved.

## **Indivisibility of Share Certificates**

**Article 13** - So far as the Corporation is concerned, share certificates are indivisible units. In cases where a share certificate has more than one owner, such owners may exercise their rights vis-a-vis the Corporation only through a joint representative. Should they fail to appoint a joint representative, notices served to any one of such owners shall be considered effective with regard to all of the said owners.

Voting rights arising from share certificates which are subject to a usufruct shall be exercised by the usufructuary, and should there be more than one usufructuary, the said rights shall be exercised by the representative to be appointed by them. Should the usufructuaries fail to appoint a representative, the foregoing provision shall be applicable.

## **Liability of Shareholders**

**Article 14** - Shareholders shall be liable only to the extent of the nominal value of the share certificates owned by them. They shall not be held liable beyond the monetary commitments they have entered into at the time of subscription and signature.

## **Status of Shareholders' Heirs and Creditors**

**Article 15** - The ownership of share certificates shall imply acceptance of the provisions of these Articles of Incorporation and of the resolutions of the General Assembly.

All rights conferred by and all obligations arising from a share certificate including potential claims on dividends and reserve funds, shall belong to the owner of that share certificate. The heirs or creditors of a shareholder shall on no account whatsoever interfere with the administration of the Corporation, nor may they request attachment on and sale of the Corporation's property. In claiming their rights they shall accept the account books of the Corporation and the resolutions of the General Assembly.

## **Legal Domiciles of Shareholders**

**Article 16** - In terms of transactions between the Corporation and shareholders in connection with shares, the place where the Head Office of the Corporation is located shall be deemed to be the domicile.

## **Increase of Capital**

**Article 17** - The share capital of the Corporation may be increased in compliance with the legislation.

## **New Share Certificates to be Issued in the case of a Capital Increase**

**Article 18** - In case of a capital increase within the maximum level of the registered capital, the Board of Directors shall determine the terms of the new shares to be issued, provided that the provisions of the Articles of Association, Article 5, clause 2 remain reserved.

When the capital is increased, in cases where the whole or a part of the increased amount is to be covered through sources arising from extraordinary reserves or statutory revaluations, the amount of capital raised through this shall be divided into the total number of shares by considering each Group (A) share as 20 due to the reason that 20 Group (A) shares each with a nominal value of TL 500 (this amount is related to the period prior to the Law Regarding Monetary Unit of the Turkish Republic, Numbered 5083 on which the rate of change has not been applied) have been changed with 1 Group (A) share with a nominal value of 1 Kurus, thus the number of bonus shares to be given to each share is calculated by considering each Group (A) share as times 20.

## **Preferential Right**

**Article 19** - The existing shareholders shall have preferential rights with respect to the purchase of new shares to be issued. The duration and conditions of exercising such a priority shall be determined by the Board of Directors in accordance with the legislation.

Each Group (A) share is considered as 20 shares and divided into total number of shares due to the reason that 20 Group (A) shares have been changed with 1 Group (A) share with a nominal value of 1 Kurus, thus the preferential right to be given to each share is calculated by considering each Group (A) share as times 20.

The preferential rights not used within their validity periods are presented to the public in accordance with the legislation.

## **Decrease of Capital**

**Article 20** - The General Assembly may, in accordance with the legislation, resolve upon a decrease in the share capital.

## **Loss of Share Certificates, Debenture and Other Capital Market Instruments**

**Article 21** - Removed from the Articles of Incorporation.

## **Founder's Shares**

**Article 22** - Those purchasing, in one payment, a minimum of one hundred of the share certificates to be issued, shall be considered as "founders", and they shall be furnished with "founder's shares" for each one hundred share certificates so purchased.

Provided, however, that such right shall exist until the capital reaches four million Turkish Liras and no founder's shares shall be allotted in the case of an increase of the capital above that amount.

## **SECTION THREE** **Management of the Bank**

### **Management Bodies**

**Article 23** - The Bank's management body is the Board of Directors.

#### **A - Board of Directors**

##### **Eligibility for Membership to the Board of Directors and for appointment as the General Manager, Assistant General Manager and Officers Authorized to Sign in the First Degree**

**Article 24** - To qualify for membership to the Board of Directors, a person is required to have full legal capacity to exercise all civil rights and to meet such qualifications defined in the applicable legislation.

Persons who are prohibited with relevant laws may not become members to the Board of Directors, General Manager, Assistant General Manager and Officers authorized to sign in the first degree.

#### **Elections of Members to the Board of Directors**

**Article 25** - The Board of Directors shall consist of 7 to 11 members, one being the General Manager. Directors, with the exception of the General Manager, shall be elected by the General Assembly for a maximum term of three years. Directors shall be eligible for re-election.

The first Board of Directors, with the exception of the General Manager, consists of the following:

Fuad, Deputy for Rize,  
Fikret, M.D. Deputy for Ertuğrul,  
Kılıç Ali, Deputy for Gaziantep,  
İhsan, Deputy for Cebelibereket,  
Mahmud, Deputy for Siirt,

Salih, Deputy for Yozgat,  
Rasim, Deputy for Sivas,  
Rahmi, Deputy for İzmir,  
Kımacı Zade Şakir, Deputy for Ankara.

### **Vacancy in the Board of Directors**

**Article 26** - The Board of Directors shall fill up vacancies in the Board, due to death, or resignation, or for any other reason whatsoever, by electing suitable persons, and such election shall be submitted for approval to the first General Assembly following that election. Directors thus elected shall hold office until the first General Assembly and, if their election is approved, they shall serve on the Board for the remainder of their predecessors' term of office.

### **First Board of Directors**

**Article 27** - The first Board of Directors shall hold office until the accounts for the Bank's fifth accounting year are examined and approved by the General Assembly and thereafter a new Board of Directors shall be elected as indicated in Article 25.

### **Meetings of the Board of Directors**

**Article 28** - The Board of Directors shall hold their meetings at least once a month at the address where the Head Office is located. The Board of Directors may also hold meetings in any other suitable place, provided that more than one-half of the Board members concur. The meetings of Board of Directors may also be held electronically.

Those entitled to attend the meetings of the Board of Directors may attend these meetings electronically in line with Article 1527 of Turkish Commercial Code. The Bank may set up an electronic meeting system, which allows those entitled to attend the meetings and vote electronically under the provisions of Communiqué on Electronic Meetings of Commercial Companies other than the General Assembly Meetings of Joint-Stock Companies by Electronic Means, or buy such systems developed for this purpose. At the meetings to be held, pursuant to this provision of the Articles of Incorporation, it shall be ensured that those entitled will be able to exercise their rights specified in the relevant legislation via the system established or the system to be purchased from support service providers as set out in the said Regulation.

The presence of more than one-half of the Board members is required for the validity of the meetings. Resolution shall be adopted by the majority of the members present; in the event of an equality of the votes, the matter shall be postponed until the subsequent meeting; should the votes again be equal, the proposal in question shall be considered as rejected.

Resolutions taken by the Board of Directors are transcribed into the Book of Resolutions of the Board of Directors in accordance with the legislation and it shall be signed by the members present at the meeting. Dissenting members are bound to specify the motives of their dissent and to sign the Book.

Should it be necessary to make full or partial copies of the resolutions, they shall be required to carry the signature of the Chairman in order to be valid so far as third parties are concerned. Any member who is absent from the meetings of the Board for three consecutive months without a leave from the Board of Directors, shall be deemed to have resigned.

## **Chairmanship**

**Article 29** - Every year, following the General Assembly, the Board of Directors shall elect from among themselves a Chairman and a Deputy-Chairman to act in his absence. The post of the secretary may be entrusted to one of the members or to a non-member.

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

### **Article 30 –**

a) Administration: The Board of Directors may authorize the Credit Committee and the General Manager on duties and powers of Board of Directors which do not require resolution of General Assembly and which are not non-transferable and inalienable for Board of Directors. In case such authorization is given, the authorities of Board of Directors shall be deemed to continue. The Board of Directors is authorized to delegate its management powers fully or partially to the Credit Committee, to other committees, to one or more board members, to the General Manager, to a third party or third parties in accordance with an internal directive related to management prepared by itself. The non-transferable and inalienable powers of the Board of Directors set forth in the Banking legislation, Capital Market legislation and Turkish Commercial Code are reserved.

b) Representation: The Bank shall be represented to the shareholders, third persons or before courts by the Board of Directors.

The Board of Directors shall be vested with absolute power in respect of the administration of the Bank's movable and immovable property and of the execution of all kinds of contracts and transactions related to the activities of the Bank and in such capacity they shall be entitled to sign in the name of the Bank. When necessary, to reach a settlement or to assign an arbitrator are also within the powers of the Board of Directors.

The Board of Directors may authorize one or more Board members, or General Manager or others to represent the Bank under the conditions determined by the Board of Directors.

The Board of Directors shall deliver the notarized copy of the resolution that contains both the authorized signatories of the Bank and their form of representation, to the Trade Registry, in order to be registered and published.

The Board of Directors is authorized to appoint the persons that are bounded to the Bank with a contract of services, as commercial representatives or other kind of assistant merchants, stating their titles, descriptions of their duties and limits of powers given to them, in accordance with an internal directive related to representation prepared by itself. The resolution of the Board of Directors regarding the internal regulation related to representation shall be registered and published in the Trade Registry Gazette after it is notarized.

c) Supervising the Credit Committee: The Board of Directors shall be responsible for supervising the activities of the Credit Committee. Every one of the members shall be entitled to require from the Credit Committee any kind of information pertaining to the Committee's activities and to carry out any investigation as he deems appropriate.

ç) Internal Regulations: The regulations required to ensure the orderly performance of the Bank's internal operations shall be drawn up and ratified by the Board of Directors.

d) Balance Sheet and Report: By issuing the necessary instructions, the Board of Directors, at the end of each accounting year, shall have the balance sheet and the profit and loss account prepared as required by law; the Board shall submit these documents to the General Assembly together with the annual report on the year's operations.

e) Issue of Debentures and Other Capital Market Instruments: The Board of Directors has the authority to issue debentures, Finance Bills, Bank Bills, Bank Guaranteed Bills, Asset Backed Securities, borrowing certificates in the quality of capital market instruments and other borrowing instruments.

### **Delegation of Powers**

**Article 31** - The Board of Directors, within conditions specifically laid down by them and in order to exercise a specific part of their powers and authorities, may delegate powers to one or several of their members, or to the General Management.

### **Prohibited Transactions Article**

#### **Article 32 –**

a) Members of the Board of Directors may not take part in deliberations concerning matters in which they are personally interested.

b) Unless they have procured permission from the General Assembly, members of the Board of Directors may not enter into any commercial transactions with the Bank, directly or indirectly, either in their own names or in the name of others.

c) The Chairman and members of the Board of Directors may not take part in discussions in circumstances banned in the Banking Act and in circumstances set out in Article 393 of Turkish Commercial Code (Law Nr. 6102) and they may not cast vote on these matters.

### **Remuneration of Members of the Board of Directors**

**Article 33** - An allowance shall be paid to the Chairman and members of the Board of Directors, the form and the amount of which shall be determined by the General Assembly.

### **Liability**

**Article 34** - The liabilities of the members of the Board of Directors shall be subject to the provisions of the Turkish Commercial Code, the Banking Act, and the Code of Obligations.

### **B - Credit Committee**

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

**Article 35** - The Board of Directors may form a Credit Committee consisting of at least two members to be selected among its members and General Manager of the Bank or his deputy to do the duties to be given related to the credits.

Resolutions adopted unanimously by the Committee shall be put into effect directly, while those adopted by a majority shall be subject to the approval of the Board of Directors.

The Board of Directors shall further elect two auxiliary members to replace and carry out the duties of any members of the Credit Committee who will not be able to attend any one of the meetings. The Credit Committee shall be required to keep a book of resolutions in compliance with the provisions of the Banking Act.

## **C - General Manager**

### **General Manager**

**Article 36** - The General Manager shall be appointed by the Board of Directors. His removal shall be subject to the same procedure. The salary and other remunerations of the General Manager shall be determined by the Board of Directors.

### **Qualifications**

**Article 37** - The General Manager must be a Turkish national.

### **Powers**

**Article 38** - The conduct of all administrative business of the Bank shall be entrusted to the General Manager. The transfer, gratification or punishment of and the amounts of salaries and remunerations to be paid to the Assistant General Managers, Managers, Assistant Managers and Sub Managers, as well as the appointment and dismissal of authorized signatories at all levels, shall be determined by the Board of Directors upon the proposal of the General Manager.

In urgent situations, when appointments or transfers to such positions are made and, where necessary, the power to sign is given, the matter shall be submitted for approval to the first subsequent meeting of the Board of Directors.

The appointment, transfer, gratification and punishment of all other officials of the Bank shall be carried out by the General Manager.

All officials of the Bank take their orders from the General Manager. The provisions of Banking legislation and other related legislations are reserved.

## **D - Authority to Extend Credit**

### **Authority to Extend Credit**

**Article 39** - The relative provisions of the Banking Act shall be implemented in determining the authority to extend credit.

The authority to extend credit of the branch offices abroad shall be determined by the resolution of the Board of Directors, taking into consideration the legislation of the country in which they are located.

## **SECTION FOUR Auditors**

### **The Bank's Audit and Election of Auditors**

**Article 40** - The Bank's audit and the election of auditors is subject to the provisions of the applicable legislation.

### **Duties of Auditors**

**Article 41** - Removed from the Articles of Incorporation.

### **Remuneration of Auditors**

**Article 42** - Removed from the Articles of Incorporation.

### **Liability**

**Article 43** - Removed from the Articles of Incorporation.

## **SECTION FIVE General Assembly**

### **Ordinary and Extraordinary General Assemblies**

**Article 44** - The shareholders of the Bank shall hold a General Assembly at least once a year. The General Assemblies held in accordance with the law and the provisions of these Articles of Incorporation shall represent the entire body of shareholders. Resolutions adopted at the General Assemblies thus held shall be binding upon dissenting, as well as, non-attending shareholders.

The General Assembly may be Ordinary or Extraordinary. The Ordinary General Assembly shall be held once a year in any case within three months as of the date of conclusion of the accounting year. In the course of this meeting, matters specified in Article 409 of the Turkish Commercial Code shall be discussed and resolved upon. The Extraordinary General Assembly of Shareholders shall be held in such cases and at such times as may be required by the business of the Bank.

The provisions of the Capital Markets legislation and the Banking legislation are reserved.

### **Summon to a Meeting**

**Article 45** - The responsibility of summoning the General Assembly to a Meeting rests upon the Board of Directors.

Shareholders holding in value not less than one-twentieth of the Corporation's capital may apply to the Board of Directors and ask that the General Assembly should be summoned to a meeting in line with the applicable legislation.

## **Announcements**

**Article 46** - The agenda of the General Assembly shall be prepared by the Board of Directors and announced at least three weeks before the date of the Meeting of the General Assembly in line with the Turkish Commercial Code, the Capital Markets legislation and the applicable legislation. Announcements concerning the General Assembly shall contain the agendas of such General Assemblies. Items not shown in the agenda may not be discussed. Before paying the announcement fee for the publication of the summons in the Gazette of Turkish Commercial Registration, shareholders holding in value not less than one-twentieth of the Corporation's capital may apply to the Board of Directors and demand to add item into the meeting agenda, provided that such demand shall have been delivered to the Corporation's Board of Directors via a notary public.

## **Meeting Place and Procedure**

**Article 47** - The General Assembly shall be held at the Head Office of the Bank, or in any other suitable place in the city where the Head Office is located.

Stakeholders entitled to attend the Corporation's general assembly meetings may attend these meetings electronically in line with Article 1527 of Turkish Commercial Code. The Corporation may set up such electronic general assembly system, which allows the stakeholders to attend, discuss, make proposals and vote at the general assembly meetings electronically under the provisions of the Regulation on General Assemblies to be held Electronically In Joint Stock Companies, or buy such systems developed for this purpose. In all general assembly meetings to be held, pursuant to this provision of the Articles of Incorporation, it shall be assured that the stakeholders or their proxies will be able to exercise their respective rights as set out in the said Regulation.

## **Quorum for Meetings**

**Article 48** - Unless otherwise specified in these Articles of Incorporation or in the Turkish Commercial Code, the presence in person or by proxy of shareholders representing not less than one-fourth of the Capital shall be required at the General Assembly. Failing such quorum at the first meeting, the shareholders shall be summoned to a second meeting. Regardless of the amount of the capital represented by the shareholders attending this second meeting, the General Assembly shall be deemed to have been validly held and it shall proceed with deliberations and adopt necessary resolutions. In order for a resolution to be valid, the majority of votes cast in person or by proxy is necessary. Whereas the Corporation's Board members, general manager, deputy general managers and sole authorized signatories in charge of the management of the Corporation are included in the meeting quorum for the resolutions concerning the release of Board members, they shall not be entitled to use their rights arisen from their own shares in these meetings.

In Extraordinary General Assemblies to be held for the purpose of amending the Articles of Incorporation, related provisions of the Turkish Commercial Code shall be implemented so far as matters of quorum is concerned.

The provisions in the Capital Markets legislation and the Banking legislation regarding the meeting and resolution quorums for General Assembly shall remain reserved.

## **Votes**

**Article 49** - At least one share is needed for participating the Ordinary and Extraordinary General Assembly.

Due to the provision of the Turkish Commercial Code requiring that voting rights shall be exercised in proportion to the total nominal value of the shares, each Group (A) share with a nominal value of 1 Kurus gives its shareholder 1 voting right, each Group (B) share with a nominal value of 1 Kurus gives its shareholder 1 voting right and each Group (C) share with a nominal value of 4 Kurus gives its shareholder 4 voting rights.

Votes may be cast by proxy. The provisions related to voting by proxy remain reserved.

Shareholders, who intend to participate in the General Assembly by giving proxy, shall be required to deliver a power of proxy to the Board of Directors, or to places designated by the latter, at such time to be determined by the Board of Directors. In case the shareholder is a government agency or a company or an institution with legal personality or a person placed under the care of a guardian, no powers of proxy as such shall be required beyond the due verification of authority to represent.

For the purposes of exercising voting rights in a General Assembly meeting, the provisions of Turkish Commercial Code, the Capital Markets legislation, the Banking legislation and the applicable legislation are to be complied.

## **Sessions**

**Article 50** - Those who are eligible to attend a General Assembly meeting shall be determined by the Board of Directors in accordance with Turkish Commercial Code and other applicable legislation, and a list of those eligible attendees shall be formed. The list which shall be signed by the attendees to a General Assembly meeting shall be thereafter referred to as the list of present attendees.

A General Assembly meeting shall be chaired by the Board chairman or, in his absence, by a Board member to be elected from among the members. The Chairman may appoint the reporter, and if he deems it necessary, the vote collector. The Chairman may rule the continuation of the meetings for several sessions until the items on the agenda are decided upon by the General Assembly.

Those who are present in a General Assembly meeting shall cast votes by raising hands. Where a person attends a General Assembly meeting electronically, he shall cast votes through the Electronic General Assembly System under the applicable legislation. Upon the demand of one of the present shareholders written vote may be applied subject to a decision by the General Assembly in this respect.

## **Quorum for Resolutions**

**Article 51** - Resolutions at a General Assembly shall be adopted by an absolute majority of votes held by those present, while at Extraordinary General Assemblies of Shareholders, resolutions concerning the amendment to these Articles of Incorporation shall be adopted by the vote of two- thirds of those present. Shareholders may not exercise their right of voting concerning matters in which they have a personal interest.

## **Amendments to the Articles or Incorporation**

**Article 52** - Amendments to the provisions of this Articles of Incorporation shall be governed by the provisions of the relevant legislation.

## **Minutes of Discussions**

**Article 53** - Minutes for the General Assembly meetings shall be drawn up in line with the applicable legislation.

## **Permissions and Notices**

**Article 54** - The provisions of Turkish Commercial Code, and Capital Markets legislation and Banking legislation shall be observed with respect to those permissions to be obtained and the notices to be served as well as the procedures and terms for the convention of general assembly meetings, including the ones related to the amendments to the Articles of Incorporation.

## **SECTION SIX** **Accounts and the Distribution of Dividends Accounting Year**

**Article 55** - The accounting year of the Corporation shall start as of the first day of January, and end on the last day of December. The first accounting year shall exceptionally start as of the date of final incorporation of the Corporation, and end on the last day of December of the same year.

## **Proposals Regarding the Balance Sheet, Profit and Loss Account, Annual Report, Distribution of Dividends**

**Article 56** - At the end of each accounting year, Financial statements showing the general Financial situation of the Bank shall be drawn up in accordance with the format prescribed in the relevant legislation. The financial statements, consolidated financial statements, Annual Report of the Board of Directors, audit reports and the proposal of the Board of Directors for the distribution of the dividend shall be made available for the inspection of the shareholders at the bank's head office and branches not later than fifteen days prior to the ordinary General Assembly meeting. Among these items, the financial statements and consolidated statements shall be kept accessible for inspection by the shareholders at the Head Office and the branches for a period of one year. Each shareholder may request a copy of the income statement and balance sheet at the Bank's expense.

## **Quarterly Statement of Accounts**

**Article 57** - Financial statements to be drawn up by the Corporation shall be sent to related authorities in line with the applicable legislation to which the Corporation is subject to.

## **Distribution of Dividends**

**Article 58** - After deducting all general expenses from the income arising from the operations of the Bank within a year, including premiums and bonuses and similar payments to the personnel of the Bank, and funds for all kinds of depreciations, as well as necessary provisions, the net profit obtained shall partly be

set aside as contingency reserves and partly distributed in the order, manner and at the rates indicated below:

- a) 1- 5% to statutory reserve fund,
- 2- 5% as provision for probable future losses,
- 3- 10% as first contingency reserve

If the cause for setting aside of a provision and fund for a probable future loss and/or risk doesn't exist any more, the remaining fund will be added to first contingency reserve (a/3) after distribution of net profit referred to in paragraph (a).

- b) From the balance of the net profit after the reserve fund referred to in paragraph (a) above have been set aside, an amount equal to 6% of the paid up capital represented by Group A, B and C share certificates, shall be distributed to shareholders as the "first dividend".

Should the profit realized in any year be insufficient to provide for the first dividend of 6% referred to above, the balance shall be made up and distributed out of the contingency reserve fund. Provided, however, that any amount thus taken out of the reserve fund shall constitute a charge to be made up out of the profits to be realized in the subsequent years.

- c) After the reserved fund and the first dividend referred to in paragraphs (a) and (b) above have been provided for, the balance of the net profit shall be set aside and distributed as follows:

10% for founder shares (limited to the portion of TL 250 thousand - two hundred and fifty thousand - of paid capital)

20% to the employees of the Bank, and 10% as second contingency reserve.

- d) After the amounts set forth in paragraphs (a), (b) and (c) have been set aside and distributed, the balance shall be distributed to the shareholders as "second dividend" in the manner stated below and taking into consideration paragraph (e).

1- The net total of the dividends to be distributed to the holders of Group (A) shares as first and second dividends under paragraphs (b) and (d) may not exceed 60% of the capital paid up by them, the net total of the dividends to be distributed to holders of Group (B) shares may not exceed 30 % of the capital paid up by them, and the net total of the dividends to be distributed to holders of Group (C) shares may not exceed 25% of the capital paid up by them.

2- After the amounts set forth in paragraphs (a), (b) and (c) have been set aside and distributed, should the balance be insufficient to distribute the second dividend in the manner specified by the paragraph (1) above, twice the amount of the paid up capital represented by Group (A) shares the actual amount of the capital represented by Group (B) shares, and the 5/6 (five sixth) amount of the capital represented by Group (C) shares shall be taken as the basis, and, total dividends to be paid to the three Groups of shares shall be calculated separately in the distribution of the second dividend.

- e) The amount that needs to be added to the statutory reserve under paragraph 2/c of Article 519 of the

Turkish Commercial Code, shall be set aside.

f) The General Assembly shall, upon proposal of the Board of Directors, decide whether the balance remaining after the distribution and allocation of the net profit as specified above shall be transferred to the extraordinary reserve funds, or carried over to the following year, or up to 80% of such amount be distributed to the shareholders by dividing of the same by the number of shares and the remaining balance be transferred to the extraordinary reserve funds or carried over to the following year.

In the calculation of the dividends to be paid to all three Groups of shares; group A shares will be considered as 40 times the share quantity, due to the reason that 20 Group (A) shares each with a nominal value of TL 500 (this amount is related to the period prior to the Law regarding the Monetary Unit of the Turkish Republic (No:5083) on which the rate of change has not been applied) have been changed with 1 Group (A) share with a nominal value of 1 Kurus, Group B shares will be considered as 1.5. times of the share quantity, and Group C shares will be considered as the same quantity.

### **Utilization of Statutory and Contingency Reserve Funds**

**Article 59** - Reserves set aside in compliance with the first and second sub-paragraphs of paragraph (a) and paragraph (e) of Article 58 shall be retained against probable losses of the Corporation.

Contingency reserves set aside in compliance with paragraphs (a), (c) and (f) of Article 58 constitute a whole, and the fields of utilization of these reserves shall be determined freely by the General Assembly. In case of insufficiency of returns in an accounting year to cover the distribution of profit to shareholders, contingency reserves may be allocated for this purpose.

## **SECTION SEVEN** **Dissolution of the Corporation**

### **Resolution for Dissolution**

**Article 60** - Should, for any reason whatsoever, the dissolution and liquidation of the Bank become necessary, an Extraordinary General Assembly shall be convened to resolve upon the matter. Formalities to be carried out following the resolution to dissolve shall be governed by the provisions of the Turkish Commercial Code.

### **Liquidation Officers**

**Article 61** - The liquidation operations shall be conducted by two or more liquidation officers. The said officers shall be nominated and elected by the General Assembly.

The liquidation officers shall take over the movable and immovable property of the Corporation and shall carry out liquidation proceedings in accordance with the provisions of the law. In the absence of a resolution to the contrary by the General Assembly, the liquidation officers shall act jointly and shall be empowered to sign in the name of the Corporation in the state of liquidation.

### **Consequences of Liquidation**

**Article 62** - After the debts of the dissolved Corporation have been settled, and at least six months has elapsed since the third notice of dissolution, the amount to be paid to each share will be calculated by way of dividing the balance of assets into the total number of shares, by considering one Group (A) share as

times 20 due to the reason that 20 Group (A) shares each with a nominal value of TL 500 (this amount is related to the period prior to the Law Regarding the Monetary Unit of the Turkish Republic Numbered 5083, on which the rate of change has not been applied) have been changed with 1 Group (A) share with a nominal value of 1 Kurus, thus by considering each Group (A) share as times 20.

In other cases where ownership of shares should, of necessity, cease to exist, payments to be made to the shareholders shall be subject to the provisions of the first paragraph.

## **SECTION EIGHT** **Miscellaneous Provisions**

### **Transactions on Immovable Property, Acceptance of Security in Rem and Personal Security**

**Article 63** - The bank may dispose immovable property, may purchase or sell immovable property; it may also acquire immovable property in the process of collecting its claims and accept mortgages on immovable property as a security and any other kind of security in rem and personal securities, it may remove or release mortgages and other securities that it accepted.

The Bank shall be entitled to acquire merchandise in the process of collecting its claims, as well as to accept such merchandise as a security.

Transactions referred to in this Article shall be subject to restrictive and prohibitive provisions of related laws.

### **Obligations**

**Article 64** - No managers, officers or employees of the Bank may, in any manner whatsoever, disclose any confidential matter involving the Bank and persons dealing with the Bank. Those found to have made such disclosures shall be dismissed.

The managers and officials of the Bank may not assume employment with any other bank, without the consent of the Board of Directors. They may not accept any position involving unlimited liability in any general or limited partnership.

### **Statistics**

**Article 65** - Removed from the Articles of Incorporation

### **Pension Funds and Other Social Assistance and Welfare Institutions**

**Article 66** - Upon the decision of the Board of Directors the Bank may, under Articles 522 and 523 of Turkish Commercial Code, set up pension funds and other social assistance and welfare foundations or funds. Eligibility and conditions for utilizing the privileges entailed by such foundations or funds shall be determined by a set of rules or regulations to be drawn up in this connection by the Board of Directors of the Bank.

### **Notices**

**Article 67** - Notices relating to the Bank shall be published in line with the Article 35 of the Turkish Commercial Code, provisions of the Banking Act and the Capital Market legislations.

## **Donations**

**Article 68-** Donations may be made in line with the provisions of the Banking Act and the Capital Markets Law.

## **Compliance with Corporate Governance Principles**

**Article 69-** The Bank shall comply with Corporate Governance Principles that are required by the Capital Markets Board. Any transaction executed and any board resolution adopted by eschewing the mandatory principles shall be null and void, and considered a breach of the Articles of Incorporation.

For the purposes of the application of the Corporate Governance Principles, the Corporation shall comply with the corporate governance regulations imposed by the Capital Markets Board in its material transactions and its material related-party transactions.

The number and qualifications of the independent members who shall be elected to the Board of Directors shall be determined according to the corporate governance regulations imposed by the Capital Markets Board.

## **PROVISIONAL ARTICLES**

**Provisional Article 1** - Each share certificate at a nominal value of 500.- Turkish Liras representing the capital in the amount of 40 million Turkish Liras, shall be exchanged for 25 Class (A) registered share certificates at a nominal value of 500.- Turkish Liras.

**Provisional Article 2** - Each share certificate at a nominal value of 500.- Turkish Liras representing the capital in the amount of 20 million Turkish Liras, shall be exchanged for 50 Class (A) registered share certificates at a nominal value of 500.- Turkish Liras.

**Provisional Article 3** - Each share certificate at a nominal value of 10.- Turkish Liras representing the capital in the amount of 10 million Turkish Liras, shall be exchanged for 2 Class (A) registered share certificates at a nominal value of 500.- Turkish Liras.

**Provisional Article 4** - Each share certificate at a nominal value of 10.- Turkish Liras representing the capital in the amount of 5 million Turkish Liras, shall be exchanged for 4 Class (A) registered share certificates at a nominal value of 500.- Turkish Liras.

**Provisional Article 5** - Those possessing registered share certificates at a nominal value of 500.- Turkish Liras representing the capital in the amount of 40 million Turkish Liras which have not been exchanged for Class (A) share certificates at a nominal value of 500.- Turkish Liras, may participate in the Ordinary and Extraordinary General Assembly, and may cast 25 votes for each share certificate they hold as principal or by proxy, and one vote at Extraordinary Assemblies to convene for the purpose of amending these Articles of Incorporation.

Limits to voting as indicated by the Banking Act shall be adhered to.

**Provisional Article 6** - Those possessing registered share certificates at a nominal value of 500.- Turkish Liras representing the capital in the amount of 20 million Turkish Liras which have not been exchanged for Class (A) share certificates at a nominal value of 500.- Turkish Liras, may participate in the Ordinary and Extraordinary General Assembly, and may cast 50 votes for each share certificate they hold as principal or by proxy, and one vote at Extraordinary Assemblies to convene for the purpose of amending these Articles of Incorporation.

Limits to voting as indicated by the Banking Act shall be adhered to.

**Provisional Article 7** - Those who hold share certificates at a nominal value of 10.- Turkish Liras representing the capital in the amount of 5 or 10 million Turkish Liras, may neither participate in the Ordinary and Extraordinary General Assembly, nor cast their votes by proxy, unless in compliance with principles set forth above, they exchange share certificates in their possession with Class (A) registered share certificates at a nominal value of 500.- Turkish Liras.

**Provisional Article 8** - The amount of the dividend payable to share certificates at a nominal value of 500.- Turkish Liras representing the capital in the amount of 40 million Turkish Liras, shall be 25 times the dividend payable to Class (A) share certificates at a nominal value of 500.- Turkish Liras.

The amount of the dividend payable to share certificates at a nominal value of 500.- Turkish Liras representing the capital in the amount of 20 million Turkish Liras, shall be 50 times the dividend payable to Class (A) share certificates at a nominal value of 500.- Turkish Liras.

The amount of the dividend payable to share certificates at a nominal value of 10.- Turkish Liras representing the capital in the amount of 10 million Turkish Liras, shall be 2 times the dividend payable to Class (A) share certificates at a nominal value of 500.- Turkish Liras.

The amount of the dividend payable to share certificates at a nominal value of 10.- Turkish Liras representing the capital in the amount of 5 million Turkish Liras, shall be 4 times the dividend payable to Class (A) share certificates at a nominal value of 500.- Turkish Liras.

**Provisional Article 9** - The holder of each registered share certificate at a nominal value of 500.- Turkish Liras representing the capital in the amount of 40 million Turkish Liras, shall have the right to purchase registered Class (B) share certificates at a nominal value of 10.000.- Turkish Liras each, up to an amount which corresponds to 36.25 times the value of his share.

The holder of each registered share certificate at a nominal value of 500.- Turkish Liras representing the capital in the amount of 20 million Turkish Liras, shall have the right to purchase registered Class (B) share certificates at a nominal value of 10.000.- Turkish Liras each, up to an amount which corresponds to 72.50 times the value of his share. The holder of each registered share certificate at a nominal value of 10.- Turkish Liras representing the capital in the amount of 10 million Turkish Liras, shall have the right to purchase registered Class (B) share certificates at a nominal value of 10.000.- Turkish Liras each, up to an amount which corresponds to 2.90 times the value of his share.

The holder of each registered share certificate at a nominal value of 10.- Turkish Liras representing the capital in the amount of 5 million Turkish Liras, shall have the right to purchase registered Class (B) share certificates at a nominal value of 10.000.- Turkish Liras each, up to an amount which corresponds to 5.80 times the value of his share.

No share certificates shall be sold unless fractions are made up to a whole.

**Provisional Article 10** - Under paragraph 4 of Article 4 of the Banking Act as amended by the Statutory Decree No.28 and under the Provisional Article of the said Statutory Decree, shareholders possessing bearer share certificates who have not exchanged them for registered share certificates, may not exercise any shareholders' rights except the right to receive dividends, unless they complete this exchange procedure.

**Provisional Article 11** - Under paragraph (f) of Article 58 when dividend is distributed to shareholders, the proportion of 20 % for Class (C) share certificates shall be considered as,  
5 % for the year of 1987  
10 % for the year of 1988  
15 % for the year of 1989

**Provisional Article 12** - Because of the increase of capital from 30.000.000.000.- (Thirty billion) Turkish Liras to 250.000.000.000.- (Two hundred fifty billion) Turkish Liras, one Class (C) share certificate shall be given free of charge to shareholders for each eight Class A and B share certificate.

**Provisional Article 13** - On increasing of capital from 250.000.000.000.- (Two hundred fifty billion) Turkish Liras to 2.500.000.000.000.- (Two trillion five hundred billion) Turkish Liras one Class newly issued (C) share certificate shall be given free of charge to shareholders for each Class (A), (B) and existing (C) share certificates.

**Provisional Article 14** - On increasing of capital to 2.500.000.000.000.- (Two trillion five hundred billion) Turkish Liras and on applying of Article 58 for newly issued Class (C) share certificates only paid up portion of the capital will be taken into consideration.

**Provisional Article 15** - On increasing of capital from 2.500.000.000.000.- (Two trillion five hundred billion) Turkish Liras to 10.000.000.000.000.- (ten trillion) Turkish Liras, 1.4 (one point four) newly issued (C) share certificate shall be given free of charge to shareholders for each Class (A), (B) and existing (C) share certificates.

**Provisional Article 16** - On increasing of capital from 2.500.000.000.000.- (Two trillion five hundred billion) Turkish Liras to 10.000.000.000.000.- (ten trillion) Turkish Liras the preferential right of 1.4 (one point four) newly issued certificates shall be given to the shareholders for each Class (A), (B) and existing (C) share certificates.

**Provisional Article 17** - In accordance with the Law Nr. 5274 on the amendment of the Turkish Commercial Code and the Law regarding the Monetary Unit of the Turkish Republic Numbered 5083 each Group (A) share with a nominal value of TL 500, each Group (B) share with a nominal value of TL 10,000 and each Group (C) share with a nominal value of TL 40,000 have been changed into Group (A) share with a nominal value of 1 New Kurus, Group (B) share with a nominal value of 1 New Kurus and Group (C) share with a nominal value of 4 New Kurus.

As a result of this change, total number of shares has decreased and thus, 1 Group (A) share with a nominal value of 1 New Kurus is given for 20 Group (A) shares with a nominal value of TL 500; 1 Group (B) share with a nominal value of 1 New Kurus is given for each Group (B) share with a nominal value of TL 10,000 and 1 Group (C) share with a nominal value of 4 New Kurus is given for each Group C shares with a nominal value of TL 40,000.

As a result of the above mentioned change; in accordance with article 399 of the Turkish Commercial Code, which has been amended by the Law Nr. 5274, 20 Group (A) shares each with a nominal value of TL 500 is

changed with a Group (A) share with a nominal value of 1 New Kurus, each Group (B) share with a nominal value of TL 10,000 is changed with a Group (B) share with a nominal value of 1 New Kurus, and each Group (C) share with a nominal value of TL 40,000 is changed with a Group (C) share with a nominal value of 4 New Kurus. Group A, B, and C shareholders have the right to change their shares with the nominal values mentioned above with the shares with nominal values stated as New Kurus.

Related to the changes mentioned above, the shareholders' share bound rights remain reserved.

Those shareholders whose Group (A) shares are not sufficient for getting a full share with a nominal value of 1 New Kurus, will be given a fraction receipt and in case of presenting the rounded up fraction receipts, they will be changed with a share.

The shares representing the capital shall be monitored through records, within the context of the principles of dematerialization.

The face value of the shares was changed as per the Law Nr.5274 on the amendment of the Turkish Commercial Code, such that each share will have a minimum face value of 1 New Kurus; and subsequently, the "New Turkish Lira" and the "New Kurus" inscriptions were changed as "Turkish Lira" and "Kurus" as per the Council of Ministers Resolution regarding the Removal of the "New" inscription in "New Turkish Lira" and "New Kurus", and the Related Codes of Practice dated 4 April 2007 and under article 1007/11963.