

PREVIOUS TEXT	NEW TEXT
<p>Duty and Authorities of the Board of Directors:</p> <p>Article 13- The Board of Directors shall decide on all matters which do not require a resolution to be obtained from the General Assembly. The Board of Directors shall have the authority to determine and control all commercial activities and all policies which concern the Company and affiliates. The approval shall be received from Turkish Armed Forces Foundation prior to taking resolution for entering into undertakings which put the company under heavy obligations such as undertaking new projects, taking on financial and/or commercial debts, commencing new fixed asset investments; in amounts that exceed 20% of the total assets (on case by case and/or in total within the related year) according to the latest published balance sheet of the Company. The Board of Directors shall perform its duty in accordance with the “Board of Directors Operation Regulation.</p> <p>The Board of Directors shall be authorized for:</p> <p>a) Carrying out the decisions taken by the General Assembly,</p> <p>b) Calling the General Assembly for ordinary and extraordinary meetings in accordance with the provisions of this Articles of Association and the Turkish Commercial Code, and preparing the agenda,</p> <p>c) Performing its authority of legal representation,</p> <p>d) Making proposals to the General Assembly with regard to all kinds of changes foreseen in the Articles of Association and adding new articles thereto,</p> <p>e) Ensuring that the books, which are required to be kept by the laws, are duly kept and preparing the annual balance sheet, profit and loss accounts,</p> <p>f) Determining the strategic plans, and annual budget, work, project and production programs, and organization plans; controlling their implementation; monitoring whether the works performed are in compliance with the laws, by-laws and regulations and changing the same when necessary,</p> <p>g) Ensuring the preparation of the general regulations regarding the management of the Company,</p>	<p>Duty and Authorities of the Board of Directors:</p> <p>Article 13- The Board of Directors shall decide on all matters which do not require a resolution to be obtained from the General Assembly. The Board of Directors shall have the authority to determine and control all commercial activities and all policies which concern the Company and affiliates. The approval shall be received from Turkish Armed Forces Foundation prior to taking resolution for entering into undertakings which put the company under heavy obligations such as undertaking new projects, fixed asset investment or fixed asset sale both domestic and foreign, taking on financial debts; in amounts that exceed 20% of the total assets (on case by case) according to the latest published balance sheet of the Company. The Board of Directors shall perform its duty in accordance with the “Board of Directors Operation Regulation.</p> <p>The Board of Directors shall be authorized for:</p> <p>a) Carrying out the decisions taken by the General Assembly,</p> <p>b) Calling the General Assembly for ordinary and extraordinary meetings in accordance with the provisions of this Articles of Association and the Turkish Commercial Code, and preparing the agenda,</p> <p>c) Performing its authority of legal representation,</p> <p>d) Making proposals to the General Assembly with regard to all kinds of changes foreseen in the Articles of Association and adding new articles thereto,</p> <p>e) Ensuring that the books, which are required to be kept by the laws, are duly kept and preparing the annual balance sheet, profit and loss accounts,</p> <p>f) Determining the strategic plans, and annual budget, work, project and production programs, and organization plans; controlling their implementation; monitoring whether the works performed are in compliance with the laws, by-laws and regulations and changing the same when necessary,</p> <p>g) Ensuring the preparation of the general regulations regarding the management of the Company,</p> <p>h) Preparing an Annual Work Report at the end of each fiscal period which covers the commercial and financial standing of the Company and the summary and</p>

ASELSAN ELEKTRONİK SANAYİ VE TİCARET A.Ş. ARTICLES OF ASSOCIATION AMMENDMENT DRAFT

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<p>h) Preparing an Annual Work Report at the end of each fiscal period which covers the commercial and financial standing of the Company and the summary and results of the works performed in the same period, and submitting it to the examination of the General Assembly and the Auditors.</p> <p>i) Making proposals to the General Assembly with regard to the method of distribution of the net profit of the Company, calculation and disbursement of the legal and extraordinary reserves,</p> <p>j) Determining the type, time and conditions of all kinds of activities within the field of activity of the Company, giving approval in matters regarding execution of the same,</p> <p>k) Designating the workforce plan of the Company, the compensation package and other rights of the personnel who are not considered in the workforce plan and compensation system, wage scales within the workforce plan and compensation system in accordance with the principals of Turkish Armed Forces Foundation for determination of wages of Affiliate and Subsidiary personnel,</p> <p>l) With regard to the assignment and dismissal of personnel;</p> <p>(1) Assigning and dismissing the Chief Executive Officer of the Company,</p> <p>(2) Carrying out the recruitment, assignment and dismissal of the other personnel in accordance with relevant Company regulations.</p> <p>(3) Designating the staff of top executives such as Chief Executive Officer, Vice President, Coordinator, Consultant (Advisor), Director etc., and signing employment contracts with the persons who are assigned to these positions and the other persons, which provide privileges in addition to the Labor Law provisions. (The Board of Directors is not permitted to transfer these rights to one or several members of Board of Directors, Chief Executive Officer or other persons.)</p> <p>m) Creating pledges and mortgages on the movable and immovable assets, rights and receivables of the Company,</p> <p>In so far the regulations of the Capital Markets Board regarding corporate governance shall be complied with, in any kind of related party transactions and in giving guarantees, pledges and mortgages for the benefit of third parties, for in terms of implementation of the Corporate Governance Principles.</p>	<p>results of the works performed in the same period, and submitting it to the examination of the General Assembly and the Auditors.</p> <p>i) Making proposals to the General Assembly with regard to the method of distribution of the net profit of the Company, calculation and disbursement of the legal and extraordinary reserves,</p> <p>j) Determining the type, time and conditions of all kinds of activities within the field of activity of the Company, giving approval in matters regarding execution of the same,</p> <p>k) As a requirement of effective management of human resources and corporate governance, designating and implementing the compensation system in accordance with the Turkish Armed Forces Foundation Affiliates Wage Principles Document.</p> <p>l) With regard to the assignment and dismissal of personnel;</p> <p>(1) Assigning and dismissing the Chief Executive Officer of the Company,</p> <p>(2) Carrying out the recruitment, assignment and dismissal of the other personnel in accordance with relevant Company regulations.</p> <p>(3) Designating the staff of top executives such as Chief Executive Officer, Vice President, Coordinator, Consultant (Advisor), Director etc., and signing employment contracts with the persons who are assigned to these positions and the other persons, which provide privileges in addition to the Labor Law provisions. (The Board of Directors is not permitted to transfer these rights to one or several members of Board of Directors, Chief Executive Officer or other persons.)</p> <p>m) Creating pledges and mortgages on the movable and immovable assets, rights and receivables of the Company,</p> <p>In so far the regulations of the Capital Markets Board regarding corporate governance shall be complied with, in any kind of related party transactions and in giving guarantees, pledges and mortgages for the benefit of third parties, for in terms of implementation of the Corporate Governance Principles.</p> <p>n) Determining and approving the conditions of the dealings with the banks and other financial institutions,</p> <p>o) Compromising, releasing and arbitrating,</p>

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<p>n) Determining and approving the conditions of the dealings with the banks and other financial institutions,</p> <p>o) Compromising, releasing and arbitrating,</p> <p>p) Issuing bonds and other securities in accordance with the Capital Market Law and Legislation,</p> <p>r) Appointing an Independent Auditing Firm in accordance with the Capital Market Law Article 16,</p> <p>s) Regulating the principals of purchase, sale and other transactions regarding the securities of the Company,</p> <p>t) Taking resolution on the purchase, sale, rent and lease of real estates for the Company,</p> <p>u) Granting approval for operating under other brands,</p> <p>v) Examining and granting approval for business transactions including any agreement which might be executed with another company or the shareholders or affiliates of another company.</p> <p>y) Taking resolution on matters such as establishing companies or becoming a partner to a company, buying or transferring the shares in the companies, opening representative offices etc. in foreign countries, upon receipt of the approval from Turkish Armed Forces Foundation. (Temporary acquisition of the equity shares, which are quoted on domestic and foreign stock exchanges, for the purpose of generating income or profit, shall be excluded from the scope of this provision.)</p> <p>z) In the transactions which are considered material in terms of implementation of the Corporate Governance Principles, the regulations of the Capital Market Law with respect to corporate governance shall be complied with.</p> <p>aa) Forming the required committees in scope of the Turkish Commercial Code and Capital Market Law.</p> <p>The provision of the Turkish Commercial Code and the Capital Market Law with respect to the duties of the Board of Directors are reserved.</p>	<p>p) Issuing bonds and other securities in accordance with the Capital Market Law and Legislation,</p> <p>r) Appointing an Independent Auditing Firm in accordance with the Capital Market Law Article 16,</p> <p>s) Regulating the principals of purchase, sale and other transactions regarding the securities of the Company,</p> <p>t) Taking resolution on the purchase, sale, rent and lease of real estates for the Company,</p> <p>u) Granting approval for operating under other brands,</p> <p>v) Examining and granting approval for business transactions including any agreement which might be executed with another company or the shareholders or affiliates of another company.</p> <p>y) Approval of Turkish Armed Forces Foundation shall be received by drafting feasibility and/or evaluation reports regarding legal, financial and technical aspects of the subject prior to taking resolution regarding issues which put the company under obligations and commitment such as establishing or becoming partner of an established company, opening a branch; increasing the capital, increasing and decreasing the current rate of the shares, buying, selling or transferring shares in the associated company regardless of the amount. (Temporary acquisition of the equity shares, which are quoted on domestic and foreign stock exchanges, for the purpose of generating income or profit, shall be excluded from the scope of this provision.)</p> <p>z) In the transactions which are considered material in terms of implementation of the Corporate Governance Principles, the regulations of the Capital Market Law with respect to corporate governance shall be complied with.</p> <p>aa) Forming the required committees in scope of the Turkish Commercial Code and Capital Market Law.</p> <p>The provision of the Turkish Commercial Code and the Capital Market Law with respect to the duties of the Board of Directors are reserved.</p>