

**ARTICLES OF ASSOCIATION**  
(12.04.2021)

**ARTICLES OF ASSOCIATION  
OF  
ŞEKERBANK TÜRK ANONİM ŞİRKETİ**

**CHAPTER ONE**

**ESTABLISHMENT, FOUNDERS, TRADE NAME, PURPOSE, HEAD OFFICE, TERM**

**ESTABLISHMENT**

**Article 1:** A Joint Stock Company was established by and between the founders of whose signatures are provided below, subject to the provisions of the applicable legislation currently in effect and the present Articles of Association.

**FOUNDERS**

**Article 2:** The names and the addresses of the founders of the Company, signatories of the present Articles of Association, are as follows:

1. Adapazarı Sugar Beet Planters Production Cooperative with Limited Liability  
ADAPAZARI
2. Eskişehir and the Neighboring Areas Sugar Beet Planters Production Cooperative with Limited Liability  
ESKISEHIR
3. Turhal and the Neighboring Areas Sugar Beet Planters Production Cooperative with Limited Liability  
TURHAL
4. Amasya and the Neighboring Areas Sugar Beet Planters Production Cooperative with Limited Liability  
AMASYA
5. Kütahya Sugar Beet Planters Production Cooperative with Limited Liability,  
KUTAHYA
6. Uşak-Afyon Sugar Beet Planters Production Cooperative with Limited Liability,  
USAK
7. Akşehir-İlgin Sugar Beet Planters Production Cooperative with Limited Liability,  
ILGIN
8. Alpullu and the Neighboring Areas Sugar Beet Planters Production Cooperative with Limited Liability  
ALPULLU
9. Konya and the Neighboring Areas Sugar Beet Planters Production Cooperative with Limited Liability  
KONYA
10. Kayseri and the Neighboring Areas Sugar Beet Planters Production Cooperative with Limited Liability  
KAYSERI

11. Burdur-Isparta and the Neighboring Areas Sugar Beet Planters Production Cooperative with Limited Liability

BURDUR

12. Türkiye Şeker Fabrikaları Anonim Şirketi

Yenişehir/ANKARA

13. Amasya Şeker Fabrikası Anonim Şirketi

Suluova/AMASYA

14. Adapazarı Şeker Fabrikası Anonim Şirketi

ADAPAZARI

### **TRADE NAME OF THE COMPANY**

**Article 3:** The trade name of the Company is “Şekerbank Türk Anonim Şirketi”.

### **PURPOSE AND SUBJECT**

**Article 4:** The Company has been established for the purpose of engaging in the following transactions and operations:

- A. To perform all kinds of banking transactions.
- B. To engage in all kinds of enterprises and undertakings pertaining to industry, agriculture and mining, and to acquire the shares and bonds of the companies established for these purposes;
- C. To establish all kinds of representative agencies, mandates, transportation or insurance agencies and any other kind of agencies, and to undertake any and all types of commission transactions and warehousing activities;
- D. To purchase and sell debentures issued by the Turkish Republic, Government Bonds, Treasury Bonds, and all other kinds of debentures and stocks issued by the public and private sector companies in Turkey, in due conformity with the capital market legislation;
- E. To participate in the Sugar Factories, as a shareholder;
- F. To act as an intermediate to the loan transactions and such other transactions concluded between the Sugar Beet Cooperatives or their members, and Sugar Factories, Banks or other corporate entities, and if necessary, to provide surety to the collective loan transactions to be performed with such entities, provided that the disclosures required to be made to the Capital Market Board regarding the material events, are duly submitted;
- G. To become engaged in works and activities which are necessary for the economic development of the country, to the extent that they are permitted by Banking Law and other relevant legislation and to undertake any enterprise that is relevant to this purpose.
- H. To conduct all types of transactions and operations which are permitted by the Banking Law and other relevant legislation.
- I. To fulfill and execute all sorts of transactions and activities in respect of giving guarantee, bail, security, or establish lien including also the mortgage, on its own behalf and in favor of the third persons, on condition of observing the principles determined within the scope of the Capital Markets Legislation.

In addition to the foregoing, should the Company wish in future, to embark upon other activities, beneficial and necessary for the Company, this issue shall be brought before the General Assembly for a resolution, upon the prior proposition by the Board of Directors. The necessary permissions from the Board of Banking Regulation and Supervision Authority and the Capital Markets Board, and subsequently, from the Ministry of Industry and Commerce shall be obtained for the execution of such decision, which is of the nature of an amendment to the present Articles of Association. The decision,

duly approved in such fashion, shall be duly registered and announced, and shall be incorporated in the present Articles of Association in an addendum.

## **RIGHT OF DISPOSITION ON THE IMMOVABLE PROPERTY**

**Article 5:** For the realization of its' purpose and subject, the Company may exercise its right of disposition on its' immovable assets, in compliance with the provisions of the Banking Law. However, the Company may not engage in the purchase and sale of immovable property for trading purposes. It may not grant loans over immovable property. However, provided that disclosures that are required by the Capital Markets Board are made in respect of necessary instances to ensure the enlightening of the investors, and commensurate with the permission granted to itself as per the provisions of the Banking Law, the Company may establish all kinds of limited rights *in rem*, such as pledge, mortgage, easement, right of construction or usufruct; may revoke such limited rights *in rem*.

The Company may give guarantee, bail, security, or establish lien including also the mortgage, on its own behalf and in favor of the third persons, on condition of observing the principles determined within the scope of the Capital Markets Legislation.

With the exception of the immovable property that are required for the conduct of its' own business activities; the Company shall dispose of the immovable assets, that it has been obliged to take possession, because of its receivables, following the acquisition thereof, pursuant to the provisions of the Banking Law and the relevant legislation.

## **HEAD OFFICE AND BRANCHES**

**Article 6:** The Head Office of the Company is located in Kağıthane/ISTANBUL. The address of the head office is: Emniyet Evleri Mahallesi Eski Büyükdere Caddesi No:1/1A 34415 Kağıthane/İSTANBUL.

In the event of the relocation of the Company's head office, the new address shall be registered in the Trade Registry and published in the Turkish Trade Registry Gazette, and subsequently, the Ministry of Industry and Commerce, the Board of the Banking Regulation and Supervision Authority and the Capital Markets Board shall be duly notified on the change of the address. All notices sent to the address of the Company, as it is registered and published, shall be deemed as having been duly served. Should the Company fail to register its new address, following its relocation from its former address, which has been previously registered and published, such failure shall constitute a reason for termination of the Company.

Provided that the share capital of the Company is adequate for the establishment of branch offices in Turkey or abroad, following a resolution of the Board of Directors, in compliance with the relevant legal provisions, the Company shall be authorized to open branches and representative offices, whenever it deems necessary.

## **TERM OF THE COMPANY**

**Article 7:** The Bank has been established for an indefinite period of time.

## **CHAPTER TWO**

### **SHARE CAPITAL, METHODS OF PAYMENTS OF THE CAPITAL, CAPITAL INCREASES OR REDUCTIONS, COMPANY SHARES**

#### **THE SHARE CAPITAL**

**Article 8:** The Bank has adopted the registered capital system in accordance with the provisions of the repealed Capital Market Law No. 2499 and transitioned to registered capital system by means of the authorization number 5/47 dated 18.01.2002 of the Capital Markets Board.

The upper limit of registered capital of the Bank is TL 2.500.000.000, - divided into 2.500.000.000 shares each with a nominal value of TL 1 (One).

The upper limit approval for the registered capital granted by the Capital Markets Board is valid for the years of 2020-2024 (5 years). Even if the upper limit of the registered capital is not reached at the end of 2024, it is required that authorization be required to be obtained for a new period from the general assembly no more than 5 years by obtaining permit from the Capital Markets Board for the upper limit permitted previously or a new upper limit. In case of failure to obtain such authorization, no capital increase can be made by means of the resolution of the Board of Directors.

The issued capital of the company is TL 1.860.000.000 and such issued capital has been fully paid up without any collusion.

The shares representing the capital are followed up within the framework of the principles of dematerialization.

The capital of the Bank may be increased or decreased within the framework of the provisions of the Turkish Commercial Code and Capital Market Law.

The Board of Directors is authorized to increase the issued capital by issuance of new shares up to the upper limit of the registered capital at such times as it wishes in accordance with the provisions of the Capital Market Law and take resolution on the subjects of issuance of premium shares or shares under their nominal values with restriction of the rights of shareholders to acquire new shares. The power to restrict the rights to acquire new shares cannot be exercised in such a way that inequality will be given risen to among shareholders.

#### **PROVISIONAL ARTICLE**

In accordance with the “Law number 5083 on the Currency of the Republic of Turkey” published on the Official Gazette date January 31, 2004, it has been resolved with the Council of Ministers Decision date April 4, 2007 and number 2007/11963 and published on the Official Gazette date May 5, 2007 to remove the word “New” from the New Turkish Lira and New Qurush on January 1, 2009.

The “Turkish Lira” phrases in these articles of association are the phrases amended in accordance with the abovementioned Council of Ministers Decision.

#### **DEFINITE DATE OF ESTABLISHMENT**

**Article 9:** The definite establishment of the Company shall be as of the date of the publication of its registration.

#### **TRANSFER OF WORN-OUT SHARE CERTIFICATES**

**Article 10:** Removed

#### **THE FORMAT OF THE SHARE CERTIFICATES**

**Article 11:** Removed

#### **TRANSFER AND ALIENATION OF THE REGISTERED SHARES**

**Article 12:** Under the reserve of the obligations arising from the ISE Quotation Regulation, the registered shares are transferable. In order for a transfer to be effective on behalf of the Company or the third parties, such transfer should be registered in the share book of the Company. However, the special provisions set out by the Capital Markets Board regarding this subject matter and the obligations arising from the ISE Quotation Regulation shall be reserved.

The registration of the transfer is executed upon the submission of the written statement confirming the transfer. The Company is not obligated to investigate the transfer or alienation statements.

Regarding registered shares followed by Central Registry Agency, provisions of Capital Market Law and other related regulations are reserved.

#### **INDIVISIBILITY OF THE SHARES**

**Article 13:** The shares are indivisible from the standpoint of the Company. The Company acknowledges one owner for each share. In cases where a share has more than one owner, such owners

may exercise their rights against the Company only through a joint representative. This representative is considered as the owner of the relevant share from the standpoint of the Company.

In cases when the usufruct right and the ownership of one particular share are held by different persons, such persons may exercise their rights against the Company also through a joint representative. Should the concerned persons fail to reach an agreement among themselves, the Company shall consider the holder of the usufruct right as the addressee for both the notifications to be served, and for attendance in General Assembly and in the voting process; and in case there are more than one holders of usufruct right; then the Company will consider as the addressee, the representative to be appointed by such holders of usufruct right.

In cases when a joint representative is appointed, the notifications issued by the Company, to be served to any one of the shareholders, shall be deemed to have been served to all the shareholders.

## **RESPONSIBILITY OF THE SHAREHOLDERS**

**Article 14:** Each shareholder shall be held as responsible only to the extent of the value of the shares that they own. The Shareholders shall not be charged with responsibilities exceeding the amount of the subscribed capital.

## **THE RIGHTS OF THE SHAREHOLDERS, THEIR NON-INTERVENTION TO THE ADMINISTRATION OF THE COMPANY**

**Article 15:** Removed

## **SHARE CAPITAL INCREASE**

**Article 16:** In case of necessity, the Company may increase its share capital, in conformity with the provisions of the applicable legislation.

The type of shares to be issued for the purpose of share capital increase up to the limit set for the Registered Capital, and the conditions for the issuance for such shares, shall be set out by the Board of Directors. The Board of Directors may resolve to grant pre-emptive rights to the benefit of all, or a part of the previous holders of the Company shares, offering such shareholders a right of commitment to purchase all or a part of the new shares to be issued. The Board of Directors shall determine the conditions under which and the period within which such pre-emptive rights shall be exercised, in accordance with the provisions of the capital markets legislation. The provisions of the Banking Law, on the share capital increase are reserved.

Should it be resolved that the share capital of the Company shall be increased through the addition of the internal resources and the retained earnings of the Company into the share capital, each shareholder shall be provided with new shares, commensurate with the shareholding in the Company capital, without the payment of any additional consideration.

## **SHARE CAPITAL REDUCTION**

**Article 17:** The Company may reduce its share capital, in conformity with the provisions of the Turkish Commercial Code, upon a resolution of the General Assembly.

The procedures to be applied for the purposes of a share capital reduction shall be set out by the General Assembly. For the execution of such resolutions, which shall be in the nature of an amendment to the present Articles of Association, a prior permission from the Board of Banking Regulation and Supervision Authority and the Capital Market Board and the relevant ministry are required. Following the receipt of such permissions, the decisions regarding the share capital reduction shall be registered and published pursuant to the pertaining procedures.

## **ISSUANCE OF DEBENTURE BONDS**

**Article 18:** The Bank may, by a resolution of the Board of Directors, issue all types of bonds, bonds convertible to shares, convertible bonds, gold, silver and platinum bonds, debentures, participation usufruct deeds, profit and loss sharing certificates, covered securities, warrant, debt instruments having the characteristics set out by the Regulation on Equity of the Banks through a mechanism to convert

the same into share certificates and other capital market instruments and securities which are classified and accepted as instruments of debt by the Capital Markets Board, for sales to real persons or legal entities in Turkey and/or abroad in compliance with the provisions of the Turkish Commercial Code, Capital Market Law, Banking Law and other applicable legislation

## **THE LOSS OF THE COMPANY SHARES AND DEBENTURES**

**Article 19:** Removed

### **CHAPTER THREE**

#### **THE FORMATION AND THE DUTIES OF THE ADMINISTRATIVE BOARD AND THE ADMINISTRATION OF THE COMPANY**

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

**Article 20:** The Administrative organs of the Company consist of the following:

- General Assembly
- Board of Directors
- Credit Committee
- General Manager.

##### **BOARD OF DIRECTORS**

**Article 21:** The Company's business and affairs shall be administered by a Board of Directors consisting of at least 9 (nine), but no more than 13 (thirteen) members (including the General Manager, who is a natural member of the Board of Directors).

The Vice General Manager, is a natural Member of the Board of Directors.

Upon their appointment, the Board Members shall take oaths pursuant to the relevant provisions of the Banking Law.

The numbers and qualifications of independent members of Board of Directors will be served in Board of Directors, are ascertained as to the regulations regarding corporate governance principles of Capital Markets Board of Turkey.

##### **THE TERM OF OFFICE FOR THE MEMBERS OF THE BOARD OF DIRECTORS**

**Article 22:** The maximum term of office of the Board Members appointed by the virtue of the present Article of Association is 3 (three) years. Upon the completion of this term, the election for the Board of Directors is renewed. The General Assembly may replace any Board Member, if necessary, in disregard of the term of office.

##### **BOARD OF DIRECTORS MEETINGS**

**Article 23:** The Board of Directors Meetings may be held whenever necessary, by the course of the work and activities of the Company. However, the Board of Directors shall convene at least once in three months.

Board of Directors Meetings are held upon the written invitation of the Board Chairman or one of the Board Members. The Meetings may be held at the head office or at any place within or outside Turkey, designated by the Board of Directors. Board of Directors in every meeting will agree on the place of the next meeting.

The meeting of the Board of Directors will be in Turkish. Upon one of the member's request, the company will provide the service of simultaneous translation from English to Turkish or Turkish to English in the meeting of Board of Directors; provided that a notice is sent to the company for this purpose five (5) days prior. The meeting minutes and the decisions of the Board of Directors shall be

prepared in Turkish. The English translation of the meeting minutes and the decisions shall be kept in a separate book and be prepared within seven (7) business following the meeting date.

Board of Directors may resolve decisions without having a meeting, on condition that a written draft of the resolution is sent to all members and all members are requested to approve the resolution in writing.

Board Meetings can also be held when the Board Members are located in different places, through connections offered via telecommunications media, such as teleconference or videoconference. In such cases, in order for the meeting to be held in due conformity with the procedures, the following conditions should be fulfilled:

- (i) The invitation to the Meeting should set out the locations from which the Board Members shall be participating to the Meeting through teleconference or videoconference, and the meeting shall be deemed to have been held in the place where the Secretary to the Chairman is located;
- (ii) The Chairman should be able to determine that the Board Meeting is to be held in strict compliance with the provisions of the present Articles of Association, the pertinent foundation documents of the Company, and the provisions of the applicable laws; to confirm and verify the identity certifications of the attendants; to supervise the meeting in accordance with the required procedures, and to certify the results of voting processes.
- (iii) The Secretary to the Chairman should be able to hear clearly and wholly, all the issues that are discussed and that are required to be recorded into the book of resolutions; and
- (iv) The attending Members should be able to participate in the discussions concerning the items of the agenda, and in the voting process.

Annually, ten of the Board Meetings are held in Head Office of the company with the participation of the members by themselves. If the Board Members will not participate by themselves in the Board Meetings in any calendar year for five times, their Board memberships will be cancelled automatically.

**Article 24:** Removed

## **QUALIFICATIONS REQUIRED FROM THE BOARD MEMBERS**

**Article 25:** The majority of the Board Members must have at least a graduate degree in one of the following fields: law, economics, finance, banking, public administration, or an equivalent field or in an engineering field, related to any of the foregoing.

Only three of the Members to be appointed in the Board of Directors may be exempted from the requirement to possess a university diploma, as referred to hereinabove. Persons having financial interests in the competing establishments or companies cannot be appointed as Board Members. The relevant provision of the Banking Law are reserved.

## **APPOINTMENT OF A TEMPORARY MEMBER**

**Article 26:** In case of a vacancy of one or more Membership position, due to the death or resignation of one or more Board Members, or due to any reason whatsoever, the Board of Directors appoints a temporary member who is endowed with the statutory requirements as set out in the Article 25 hereinabove, and presents such appointment to the approval of the first General Assembly to convene. The Board Member temporarily appointed, fulfills his duties as a Board Member until the General Assembly Meeting. Should such Member receive the approval of the General Assembly, he completes the remainder of the term of office of his predecessor.

## **APPOINTMENT OF A CHAIRMAN AND A SECRETARY TO THE CHAIRMAN**

**Article 27:** Each year, the Board of Directors shall appoint a Board Chairman and a Vice Chairman, from amongst its members. In order to preside over the meetings that are held in the absence of the Chairman or the Vice Chairman, a Board Member is appointed as the Temporary Chairman for that



meeting. Any person from among the Board Members, or externally, may be appointed as the Secretary to the Chairman. The title of “Chairman” does not confer any further rights to the Board Chairman, besides ensuring the order of the Board Meetings and presiding over the General Assemblies.

In accordance with the related article of the Turkish Commercial Code, the Board Members shall make the necessary arrangements with regards to the division of work among themselves by means of board resolutions.

## **THE DUTIES AND AUTHORIZATIONS OF THE BOARD OF DIRECTORS**

**Article 28:** The duties and authorizations of the Board Directors include, without limitation, the following:

- A. To perform the administration of the affairs and the assets of the Company and to execute all contracts and transactions relating to the operations;
- B. To represent the Company before and against the shareholders, the third parties and the Courts;
- C. To elect and to set out the powers, responsibilities and the remuneration of the General Manager;
- D. To appoint and to discharge the officials, representatives, agents and legal proxies, other than those who shall be appointed by the General Manager, pursuant to the internal regulations of the Company; and to set out their salaries, bonuses, commissions and other fringe benefits;
- E. To appoint special attorneys for carrying out activities, if necessary;
- F. To appoint the persons who shall be granted the signature authority on behalf of the Company, and to register the names of such persons in the Trade Registry;
- G. To keep the statutory books of the Company; to prepare the balance sheets, savings accounts, profit/loss statements and the extract of accounts showing the receivables and the payables of the Company, required to be drawn up every 6 months, and to submit the same to the Auditors; to prepare a report at the end of each fiscal year, showing the commercial, financial and economic situation of the Company for the relevant year; and to present this report to the shareholders for a review, at least 15 days prior to the end of the year;
- H. To prepare internal regulations and instructions, including the business plans of the Company;
- I. To appoint the permanent and the substitute Members of the Credit Committee;
- J. To appoint and set out the powers of the executive Members; however, the relevant provisions of the Banking Law shall be applied on the appointment of the executive Members;
- K. To execute any duties and use all powers except for those powers those are reserved to the General Assembly.
- L. 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 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.

Above mentioned authorizations are not limited to these items which are listed as example.

## **AUDITING OF THE CREDIT COMMITTEE**

**Article 29:** The Board of Directors is obliged to audit the activities of the Credit Committee

All Members of the Board of Directors shall be authorized to request information of whatever kind from the Credit Committee, regarding their activities, and to execute any kinds of control that they might deem as appropriate.

## **BOARD MEETINGS AND THE QUORUM FOR DECISION**

**Article 30:** The quorum for the Board of Directors Meetings shall be seven (7) members, and the resolutions are passed by the affirmative votes of the seven attending Members. The provisions of the Banking Law, Capital Market Law and the Turkish Commercial Code shall apply for all matters pertaining to the rights, powers and responsibilities of the Board Members (Directors), and pertaining to the administration of the Company, which have not been regulated in the present Articles of Association. Corporate Governance Principles are paid attention in their decisions and studies.

Board decisions shall not be effective unless they are signed and recorded in the decision book.

## **REMUNERATION OR ATTENDANCE FEE (HONORARIUM) TO BE PAID TO THE BOARD MEMBERS**

**Article 31:** An attendance fee to be determined and revised each year by the general assembly shall be paid to the members of the Board of Directors.

## **CREDIT COMMITTEE**

**Article 32:** The Credit Committee consists at least two Members who are appointed by the Board of Directors from amongst the Board Members, and the General Manager or the Acting General Manager. Two substitute members are also appointed by the Board of Directors, to replace any Credit Committee Member who is unable to attend to any of the Credit Committee Meeting, because of an excuse.

## **THE DUTIES OF THE CREDIT COMMITTEE**

**Article 33:** The Credit Committee is responsible for the performance of the duties specified in the Banking Law, or bestowed upon itself by the Board of Directors. The resolutions passed by the Credit Committee on the basis of unanimity are executed directly, while the resolutions passed by the majority are executed following the approval of the Board of Directors.

## **THE RESOLUTIONS OF THE CREDIT COMMITTEE**

**Article 34:** The resolutions passed by the Credit Committee are registered in the book of resolutions, in compliance with the procedures set out in the relevant article of the Banking Law.

## **GENERAL MANAGER**

**Article 35:** The General Manager of the Bank is appointed by the Board of Directors. The General Manager of the Bank must have at least a graduate degree in one of the fields of law, economics, business management, finance, banking, public administration or an equivalent field or in an engineering field related to any of the foregoing, and, must possess a minimum of ten years of professional experience in the field of banking or business management. The employment conditions, the scope of the duties and powers of the General Manager are set out by the Board of Directors, in due consideration of the relevant provisions of the Banking Law.

## **CHAPTER FOUR**

### **THE AUDITORS**

#### **THE NUMBER AND THE TERM OF OFFICE OF THE AUDITORS**

**Article 36:** Related provisions of Turkish Commercial Code are applied regarding election, dismissal, duties and term of duty of the Auditors.

#### **THE AUDITORS' DUTIES**

**Article 37:** Removed

#### **THE RESPONSIBILITIES OF THE AUDITORS**

**Article 38:** Removed

## **THE INVESTIGATION TO BE CONDUCTED BY THE AUDITORS, RELATING TO THE COMPLAINTS FILED AGAINST THE BOARD OF DIRECTORS AND THE CREDIT COMMITTEE**

**Article 39:** Removed

## **THE SHAREHOLDERS RIGHT OF APPLICATION TO THE AUDITORS**

**Article 40:** Removed

## **DISCHARGE OF THE AUDITORS**

**Article 41:** Removed

## **LEGAL ACTIONS TO BE FILED AGAINST THE BOARD MEMBERS**

**Article 42:** Removed

## **APPOINTMENT OF PRIVATE AUDITORS**

**Article 43:** Removed

## **AUDITORS DO NOT POSSESS VOTING RIGHTS IN THE BOARD OF DIRECTORS MEETINGS**

**Article 44:** Removed

## **QUALIFICATIONS REQUIRED FROM THE AUDITORS**

**Article 45:** Removed

## **REMUNERATION OF THE AUDITORS**

**Article 46:** Removed

## **CHAPTER FIVE**

### **GENERAL ASSEMBLY**

#### **ORDINARY AND EXTRAORDINARY GENERAL ASSEMBLIES**

**Article 47:** The Company shareholders convene at least once a year as a General Assembly. The shareholders who convene in conformity with the provisions of the applicable laws and the present Articles of Association represent the General Assembly of Shareholders.

The decisions passed in the General Assembly, that has been convened in this manner shall be considered as valid and effective both for those who have stood in opposition, as well as those who have not attended to the relevant General Assembly Meeting.

The General Assemblies are either ordinary or extraordinary. The Ordinary General Assembly shall be held at least once a year within the three months following the closing of the fiscal year. The issues relating to general transactions and the accounts of the Company, and other matters indicated in the agenda are discussed in such Meetings.

Extraordinary General Assemblies where necessary resolutions are passed, are held pursuant to the relevant provisions set forth in the Turkish Commercial Code and the present Articles of Association, at times and under conditions that require the convention of such meetings.

Electronic participation to general assembly meetings:

According to article 1527 of Turkish Commercial Code; Stakeholders who have participation rights to general assembly meetings of Company, can also participate to the electronic General assembly meetings. In accordance with Regulation Regarding Participation to General Assembly Meetings of Joint Stock Companies on Electronic Medium; company can build electronic general meeting system which will provide stakeholders to participate general assembly meetings in an electronic medium, make proposals, give comments and vote or company may purchase service from systems that set off

for this purpose. Pursuant to this article; stakeholders and their representatives are provided to exercise the rights that are defined in aforesaid regulation, in all general assembly meetings will be held.

#### **PLACE OF MEETING**

**Article 48:** The General Assemblies may be held at the head office of the Company, or, at any other appropriate place in the city where the head office is located.

#### **NOTIFICATION OF THE RELATED MINISTRY ON THE MEETINGS AND THE ATTENDANCE OF A MINISTRY REPRESENTATIVE**

**Article 49:** Ordinary and extraordinary General Assembly Meetings shall be notified to the related Ministry and the agenda and the documents pertaining to the Meeting and the relevant supporting documents shall be submitted to the foregoing ministry. The Attendance of a Commissar appointed by the related Ministry in the General Assembly Meetings is mandatory. The relevant provisions of the Banking Law and the Turkish Commercial Code shall be applied on this matter.

#### **PUBLICATION OF INVITATION**

**Article 50:** The invitations to the General Assembly Meetings to be published shall include the date, the place, the location and the time of the Meeting and the agenda. Such invitations shall be published at least three weeks prior to the Meeting, excluding the date of the call and the date of the Meeting, in a newspaper to be set by the Board of Directors, published in the city where the meeting shall be held, and in the Turkish Trade Registry Gazette and company's website.

#### **THE AGENDA**

**Article 51:** The Agenda of the Ordinary General Assemblies consist of the following: the reading of the Board of Directors' reports; the approval, amendment or rejection of the balance sheet the inventories, profit/loss accounts and the proposals concerning the distribution of profits; the re-election or replacement of the Directors whose term of office have expired; determination of the remuneration and attendance fees payable to the Directors; and all other items that need to be discussed.

The Agenda of the Extraordinary General Assemblies consists of the items that deemed necessary to be discussed by the organ calling for such general assembly meeting.

Issues that are not included in the agenda may not be discussed during the General Assembly Meeting. However, during the deliberations of a subject matter included in the agenda, if a resolution on another issue is required for the settlement of the foregoing, then the secondary issue is put to vote among the participating shareholders. In addition, without limitation to the initial General Assembly agenda, based on CMB request items to be discussed by the shareholders or informed about to shareholders should be taken to the General Assembly's agenda.

Upon a justifiable written request of the shareholders representing at least 1/20 of the share capital of the Company, the Board of Directors is obliged to include into the agenda of the next General Assembly, the items on which a discussion is requested. However, if said request is submitted subsequent to the date of publication and announcement of the meeting in the newspapers, such request shall be declined.

#### **QUORUM**

**Article 52:** Save for the provisions of the Turkish Commercial Code, or of the present Articles of Association, the General Assembly Meetings shall be held with the presence of the shareholders, in person or by proxy, representing at least 41% of the share capital of the Company. If the quorum is not met during the first Meeting, then the shareholders shall be invited for a second Meeting. In respect of the second meeting, the relevant provisions of the Turkish Commercial Code shall be applied.

For the adoption of resolutions, the majority of the votes of the shareholders, present in person or by proxy, is required.

The period between the first and the second Meeting may not be less than 15 days and more than one month.

## **VOTING RIGHTS**

**Article 53:** Pursuant to the related Article of the Turkish Commercial Code, under the reserve of the provisions of the aforementioned Code or the present Articles of Association, each shareholder present at the Ordinary or Extraordinary General Assembly Meetings shall be entitled to one vote for each share.

During the General Assembly Meetings convened for the purposes of modification of the object or the type of the Company, increase or decrease of the registered limit for the share capital, or the voluntary termination of the Company or in the General Assemblies convened for the purposes of negotiating and resolving on the amendment of the Articles of Association of the Company, the quorums for meeting and decisions set forth in the article 29/6 of CMB Law shall apply.

During the General Assembly Meetings held for purpose of changing the nationality of the Company, or for the purpose of increasing the subscribed share capital by the shareholders, all of the shareholders must be present in person or by proxy and unanimity is required for the adoption of such a resolution.

## **AMENDMENT OF THE ARTICLES OF ASSOCIATION**

**Article 54:** Shareholders who own one share in the Company are entitled to participate and vote in the General Assemblies that are held for the purpose of the amendment of the Articles of Association. Shareholders who own more than one share exercise their voting rights commensurately with the number of shares that they own in the share capital of the Company.

## **AUTHORIZATION FOR REPRESENTATION**

**Article 55:** Shareholders are entitled to have themselves represented in the General Assemblies through other shareholders or through a legal proxy whom they can appoint externally. The relevant provisions on proxy voting of the Capital Market Law are applied on this matter. Proxies, who are also shareholders in the Company, along with their own voting rights, are authorized to exercise the voting rights of the shareholders that they represent. The form of these authorizations are set out and published by the Board of Directors, in compliance with the relevant provisions of the Capital Market Law. Legal entity shareholders can be represented by their authorized representatives or by a third party endowed with the authority to represent them. Such representatives need not to be shareholders. In cases when different persons hold the usufruct right and the ownership of a particular share, those persons may also exercise their rights against the Company thorough a joint representative. Should the persons concerned, fail to reach an agreement among them, the Company shall consider the holder of the usufruct right as the addressee for attendance in the General Assembly Meeting and the voting process.

## **LIST OF SHAREHOLDERS**

**Article 56:** A list including of the names, surnames and the number of the shares owned by the shareholder, the proxies or representatives who will be attending on their behalf to the Meeting, shall be prepared and approved by the Board of Directors. Prior to the initiation of the deliberations, this list shall be displayed at a visible place to all shareholders and a copy of the list shall be presented to the Secretary to the General Assembly.

## **CHAIRMAN AND SECRETARY OF THE GENERAL ASSEMBLY, LIST OF ATTENDANTS**

**Article 57:** The Chairman of the Board of Directors presides over the General Assemblies. In the absence of the Chairman, this function shall be fulfilled by the Vice Chairman. The person to preside over the General Assembly in the absence of the Vice Chairman shall be determined by the Board of Directors.

The duties of the Chairman consist of the following: conducting the proceedings regularly and in due conformity with the required procedures and to ensure that the records (minutes) to the meetings are kept in conformity with the provisions of the applicable legislation and the present Articles of Association.

Two shareholders attending to the General Assembly and owning the highest number of shares shall execute the task of collecting the votes. Should such shareholders decline executing this task, a selection shall be made among the shareholders, until two agree on executing the task of vote collection.

The Chairman and the vote collecting shareholders, from among the shareholders, or externally, appoint the Secretary to the General Assembly.

A list of the shareholders or their proxies present at the Meeting, including the names, places of residence, the numbers of shares and the number of votes that they are able to exercise shall be prepared and following its approval by those present, shall be annexed to the minutes for preservation and presentation to the persons concerned, upon their request.

Meeting directorate consists of Chairman, vote collector and clerk.

## **MINUTES**

**Article 58:** In order for the resolutions passed during the General Assemblies to be valid and effective, the minutes of the Meeting, including the nature and the results of the resolutions that have been passed, and the arguments presented by the opposing shareholders must have been recorded.

Relevant minutes are signed by Meeting directorate and Ministry representative. The documents authenticating that the invitation to the General Assembly Meeting has been made in compliance with the procedures should also be annexed in the minutes or their contents should be included therein.

The Board of Directors is obligated to have a certified copy of the relevant minutes registered at the trade registry and have the contents published in the Trade Registry Gazette forthwith. Besides, the relevant minutes is published in the Company web site immediately.

Furthermore, English translation of the minutes of the General Assembly meetings shall be prepared within 7 business days following the meeting date and shall be kept in a separate book of the Company in the place where the legal books of the company, which include the Turkish versions of the meeting minutes, are kept in.

## **DUTIES AND POWERS OF THE GENERAL ASSEMBLY**

**Article 59:** The duties and the powers of the General Assembly include, but are not limited to, the following:

- A. To discuss and to resolve on issues which are beyond the scope of the authority of the Board of Directors.
- B. To grant special authorities to the Board of Directors, to set the conditions for the granting of such authorities, and to decide on the administrative procedures of the Company affairs.
- C. To pass resolutions concerning the acceptance or the rejection of the reports drawn up by the Board of Directors regarding the operations and transactions of the company, the balance sheet, the P/L statements and the inventory register and to decide on their revision through the arrangement of negotiations; to decide on the release or on filing of a responsibility lawsuit against the Board Directors; to pass resolutions regarding the amortizations and dividends to be distributed, to appoint the Board Members and to discharge or replace the Board Members if necessary, to determine the remuneration and the attendance fees to be paid to the Board Members.
- D. To pass decisions on granting or rejecting the relevant permissions, regarding the actions of the Board of Directors for which prior permission of the General Assembly is required.
- E. To decide on the execution of loan agreements through the pledging of the immovable assets of the Company or through the issuance of debentures.
- F. To discuss and to pass resolutions on the other matters included in the agenda.

## **RELEASE**

**Article 60:** The General Assembly resolution regarding the approval of the balance sheet entails the release of the Board Members, Managers and the Auditors. However, if certain matters have remained obscure in the balance sheet, or if the balance sheet contains errors, the Board Members, Managers and the Auditors shall not be deemed as released upon the approval of the balance sheet.

## **ISSUES PERTAINING TO THE SHAREHOLDERS IN PERSON**

**Article 61:** Shareholders are disallowed to exercise their voting rights during the discussion of the issues that personally concern themselves in the General Assembly, or during the deliberations with regards to a personal affair or a legal action, involving the Company and themselves, their spouse, or their ancestors or descendants.

## **POSTPONEMENT OF THE DISCUSSIONS CONCERNING THE APPROVAL OF THE BALANCE SHEET**

**Article 62:** Discussions conducted at the General Assembly relating to the approval of the balance sheet, may be adjourned until the next month, upon the request of the majority, or the shareholders representing at least one twentieth of the paid-in share capital of the Company. The invitations for the second meeting shall be made in due conformity with the relevant procedures.

For a request of adjournment of the meeting to a subsequent date, submitted by the shareholders representing at least 1/20 of the paid-in capital of the Company, to be considered as valid during a second meeting, requests for clarifications concerning the issues against which objections were raised previously, should have remained not clarified.

## **LEGAL ACTIONS TO BE INITIATED AGAINST THE GENERAL ASSEMBLY**

**Article 63:** Shareholders opposing to the resolutions of the General Assembly, who have registered their opposition through a record in the minutes of the Meeting, or shareholders who have been disallowed to exercise their voting rights, or the Board Members who are charged with personal responsibility, are entitled to file a lawsuit against the resolutions of the General Assembly with an application to the authorized court, of the jurisdiction where the head office of the Company is located, within (3) months following the date of adoption of the relevant resolution.

However, if it ascertained that such lawsuit has been initiated in bad faith, the parties who have raised the concerned objection shall be held jointly and severally responsible for the indemnification of the consequential losses and damages.

The Board of Directors is obliged to register forthwith, a copy of the Court decision awarded upon such lawsuits, once finalized.

The date of the court session pertaining to the lawsuit of cancellation, shall be published by the Board of Directors, pursuant to the provision of the Article 83.

## **AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

**Article 64:** In cases when the General Assembly convenes for resolving on the increase of the limit for the registered share capital of the Company, or for the amendment of the Articles of Association, the amended text which has received the prior approval of the Board of Banking Regulation and Supervision, the Capital Market Board and the related Ministry, shall be published and communicated to the competent authorities, together with the former text, in accordance with Article 414 of the Turkish Commercial Code. Draft amendments which have not been duly approved by the Board of Banking Regulation and Supervision or by the Capital Market Board, cannot be discussed at the General Assembly.

The General Assembly resolution pertaining to the amendment of the Articles of Association, shall be registered at the Trade Registry, sited in the area where the head office and the branches of the Company are located, and the issues that are required to be announced –if any-, shall be duly

announced. The resolution on the amendment may not be considered to be valid and effective before its registration.

## **VOTING PROCEDURE**

**Article 65:** During the General Assembly Meetings, the voting is done by raising of hands. However, secret ballot system may also be applied, upon the request of the shareholders representing one tenth of the share capital present in the General Assembly.

## **MEETING DOCUMENTS TO BE SUBMITTED TO GOVERNMENTAL AUTHORITIES FOLLOWING THE GENERAL ASSEMBLY MEETINGS**

**Article 66:** Following the general assembly, the necessary documents in necessary number of copies to all of the competent governmental authorities shall be submitted.

## **CHAPTER SIX**

### **ANNUAL ACCOUNTS – INVENTORIES**

#### **ACCOUNTING YEAR, BALANCE SHEET**

**Article 67:** The Company's accounting year begins on the first day of January and ends on the last day of December of the same year with the exception of the Company's first accounting year, which shall begin on the date of the Company's effective formation and conclude on the last day of December of the same year.

If deemed appropriate and necessary by the Board of Directors, the Company may draw up two balance sheets, each covering a period of six months.

#### **EXTRACT OF ACCOUNTS TO BE PREPARED BY THE BOARD OF DIRECTORS**

**Article 68:** An extract of accounts showing the assets and liabilities of the Company shall be drawn up every six months by the Board of Directors. The Company shareholders are entitled to receive a copy of each of the legal books, profit/loss statements, the balance sheet and the reports of the Board of Directors, upon their application to the Company head office, 15 days prior to the date of the Meeting.

An extract of accounts showing the financial situation of the Company shall be drawn up on a quarterly basis. The extract, which shall be prepared in accordance with the formula set by the Board of Banking Regulation and Supervision pursuant to the relevant article of the Banking Law, shall be submitted to the Board of Banking Regulation and Supervision, the Turkish Central Bank and the Istanbul Stock Exchange.

The financial statements and the reports requested by the Capital Market Board, and the independent auditor's report, if the Company is subject to independent auditing, shall be submitted to the Board and shall be announced pursuant to the procedures and principles determined by the Board.

## **CHAPTER SEVEN**

### **DISTRIBUTION OF THE PROFITS, RESERVE FUNDS**

#### **THE DISTRIBUTION OF THE PROFITS**

**Article 69:** The amount remaining after deduction of all kinds of expenses, provisions and taxes and retained earnings from the income derived by the Bank within an accounting period is the net profit.

- a) 5% of the net profit is set aside as legal reserve,
- b) Out of the remaining amount, 5% of the paid-up capital is set aside as first dividend.
- c) The General Assembly is authorized to distribute the remaining profit in whole or in part to the shareholders or to transfer the same to the extraordinary reserve fund.
- d) Pursuant to the sub-paragraph 3 of the second paragraph of Article 519 of the Turkish Commercial Code, out of the net profit, after setting aside legal reserve amount specified in the first paragraph of Article 519, as well as 5% profit share for the shareholders, one tenth of



the amount decided to be distributed to the shareholders and to other persons participating in the profit shall be allocated to the legal reserve fund, as the second allotment.

#### **FIRST DIVIDEND**

**Article 70:** In case when the annual net profits remains inadequate for the payment of the entire amount of first dividends, only the available net profits shall be distributed.

None of shareholders shall be entitled to claim the completion of the unpaid portion of their dividends from the Company capital, or the payment of the same in advance, on account of the profits of the oncoming years.

#### **TRANSFER OF PROFIT TO RESERVE FUNDS**

**Article 71:** The General Assembly may transfer all or a part of the distributable net profits resulting from the activities in a given accounting year, to the oncoming year, or may resolve to set aside the same as extraordinary reserves.

#### **THE DISTRIBUTED DIVIDENDS CANNOT BE RECOVERED**

**Article 72:** The General Assembly shall determine the dates, on which the dividends will be distributed, and the method and the procedures to apply during the distribution, upon the proposition of the Board of Directors. The dividends that are distributed among the shareholders pursuant to the present Articles of Association cannot be recovered from the shareholders.

#### **PROVISIONS FOR RESERVE FUNDS**

**Article 73:** Pursuant to the provision of the Article 69, the Company shall continue to set aside a legal reserve fund of %5 of the net profit until an amount equal to the 20% of the paid-in share capital of the Company is reached.

However, if the amount of the legal reserve fund falls under the aforementioned amount, due to expenditures, the Company shall resume setting aside funds, as legal reserves, in the subsequent years.

#### **SURPLUS OBTAINED FROM SHARES**

**Article 74:** In cases when the issuance value of the shares exceed their nominal values, the surplus shall be added up to the reserve funds.

#### **COMPENSATION OF LOSSES**

**Article 75:** In cases when the legal reserves become inadequate at compensating the lost portion of the capital, due to the financial losses suffered by the Company, the distribution of dividends to the shareholders shall be suspended, until the losses of the company are completely eliminated.

#### **INVESTMENT ON MARKETABLE SECURITIES OF THE PROVISIONS SET ASIDE**

**Article 76:** The Board of Directors shall be authorized to dispose of the extraordinary reserves, in whatever way and manner as they may consider appropriate, according to the provisions of the applicable laws.

### **CHAPTER EIGHT**

#### **TERMINATION AND LIQUIDATION OF THE COMPANY**

#### **INVITATION OF GENERAL ASSEMBLY TO AN EXTRAORDINARY MEETING FOR THE TERMINATION OF THE COMPANY**

**Article 77:** The Board of Directors may call the General Assembly to a meeting to discuss on the termination or liquidation of the Company, or its continuation. During such meetings, the quorum set forth in Article 53 shall be applied.

#### **GROUND FOR TERMINATION**

**Article 78:** The Company may terminate its existence due to reasons set out in the Turkish Commercial Code, or upon a Court decision. In addition to the foregoing, the existence of the

Company may also be terminated with a General Assembly resolution, in accordance with the legal provisions.

#### **APPOINTMENT OF LIQUIDATION OFFICERS**

**Articles 79:** In cases when the termination of the Company is required due to bankruptcy or any other reason, the procedures shall be carried out in accordance with the applicable provisions of the Turkish Commercial Code and the Banking Law.

#### **PROVISIONS REGARDING THE LIQUIDATION PROCEEDINGS**

**Article 80:** The performance of the liquidation, the completion of liquidation proceedings, the scope of the powers and the responsibilities of the liquidation officers are subject to provisions of the applicable laws.

### **CHAPTER NINE**

#### **MISCELLANEOUS PROVISIONS**

##### **THE AUTHORIZED COURT**

**Article 81:** Any dispute that may arise between the company and the shareholders in respect of the company affairs shall be settled by courts and execution offices in the place where the company head office is located, provided that the exemptions in the legislation are preserved.

##### **LAWSUITS TO BE FILED AGAINST THE REPRESENTATIVES OF THE COMPANY**

**Article 82:** Shareholders are disallowed to initiate legal actions, on a direct and individual basis, against the representatives of the Company, and against the person of any one of the representatives of the Company, based on irregularities that they have noticed in the affairs and transactions of the Company.

##### **PUBLICATIONS RELATING TO THE COMPANY**

**Article 83:** Under the reserve of the regulations set forth by the capital Market Board, the publications relating to the Company shall be published, at least one week in advance of the event requiring such publication, in two newspapers, one of which shall be the newspaper set forth in Article 35 of the Turkish Commercial Code, and the other, a national newspaper, approved by the Company.

##### **ISSUES NOT COVERED BY THE PRESENT ARTICLES OF ASSOCIATION**

**Article 84:** The relevant provisions of the Turkish Commercial Code, the Banking Law and the Capital Market Law shall apply with regards to the issues that are not regulated within the present Articles of Association.

Any section of the present Articles of Association, conflicting with the provisions of the Banking Law, the Turkish Commercial Code, the Capital Market Law and the regulations set forth by the Capital Market Board, shall not be applied.

**Article 85:** Persons who are prohibited from working in banks pursuant to the provisions of the Banking Law, may not be allowed to be employed in positions, such as General Manager, Vice General Manager, or in other positions that would provide such persons a first degree signature authority.

##### **COMPLIANCE TO CORPORATE GOVERNANCE PRINCIPLES**

**Article 86:** Company complies to Corporate Governance Principles that are obligated by Capital Markets Board of Turkey. Operations and Board decisions that are not compatible to obligatory principles, are invalid and contrary to articles of association.

Company complies to regulations related corporate governance of Capital Markets Board regarding the substantive operations in terms of Corporate Governance Principles and the operations regarding collateral, pledges and mortgage that are given for the benefit of all kinds of related parties and third parties.