

**ISTANBUL CLEARING, SETTLEMENT AND CUSTODY  
BANK INC.**

**ARTICLES OF ASSOCIATION**

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## ISTANBUL CLEARING, SETTLEMENT AND CUSTODY BANK INC.

### ARTICLES OF ASSOCIATION

#### INCORPORATION

**Article 1- (1)** An investment bank with the corporate name 'Istanbul Clearing, Settlement and Custody Bank Inc.' has been incorporated in accordance with the provisions of the Capital Markets Law, the Banking Act and other applicable laws and regulations based on the resolution numbered 95/6551 passed by the Council of Ministers on January 26, 1995 and promulgated in the Official Gazette Issue No. 22236 on March 23, 1995, and this investment bank will be hereinafter referred to as the "Bank".

#### NAME AND BUSINESS NAME OF THE COMPANY

**Article 2 - (1)** Trade name of the Bank is Istanbul Clearing, Settlement and Custody Bank Inc.. Business name of the "Bank" is "TAKASBANK".

#### PURPOSE AND SCOPE

**Article 3 - (1)** The Bank's primary purpose is to increase competitive capacity of our national markets by providing custody and settlement services in accordance with the relevant legislation, and conducting financial services as well as any and all economic activities. In order to attain this purpose and fulfill its scope, the Bank may engage in the following businesses and transactions as well as other activities permitted by the capital market legislation and the Banking Act upon receiving necessary permits in accordance with the legislation.

**(2)** The Bank may conduct all financial activities; particularly central settlement service and central counterparty service, settlement and custody activity, market operation, establishment and operation of transfer and settlement systems, as well as all financial services, particularly banking services in accordance with the provisions of the Banking Act on development and investment banks, Capital Market Law, and the provisions of other legislation.

**(3)** The Bank may also provide financial services targeting international markets, including any and all payment and transfer transactions as well as clearance, custody and settlement transactions pursuant to the relevant legislation.

**(4)** The Bank may lawfully execute any and all activities that are not specified here for the purpose of attaining its purpose and fulfilling its scope.

**(5)** For the purpose of attaining its purpose and fulfilling its scope, the Bank may;

- a) Execute any and all kinds of agreements, perform any and all kinds of legal transactions, execute undertakings, deeds and other documents, and acquire any rights and receivables and bind any obligations regarding its scope;
- b) Acquire any and all kinds of movable and immovable properties and any and all kinds of rights that it needs; construct or have third parties constructed such properties; if required lease such properties, sell, transfer or lease out such properties wholly or partially, claim any and all kinds of rights in rem over such properties and redeem such rights. It may

enter into any and all kinds of lending and borrowing transactions as required by its activities; and it may receive and give sureties, pledges, mortgages, pledges on business enterprises and any other personal, cash or real collaterals, and transfer such collaterals to third parties and terminate such collaterals pursuant to corporate management principles stipulated in the banking and capital market legislation.

- c) Issue any and all capital market instruments pursuant to capital market legislation.
- d) Establish partnerships with domestic and foreign organizations, and participate in existing partnerships.

**(6)** In case third parties are aware or may possibly be aware that a legal transaction conducted with the Bank is outside the purpose and the operating scope specified in the articles association of the Bank, or in case third parties do not show due diligence in this respect, or if there are indicators that third parties have a relationship of interest with the Bank executive conducting the transaction or his/her relatives; the Bank may assert that the legal transaction in question is not binding on it. The Bank reserves its right to recourse to and claim compensation from the executive conducting the transaction, and to impose necessary sanctions in terms of order within the Bank.

**(7)** The Bank shall comply with the first and the second paragraphs of article 17 of Capital Market Law *mutatis mutandis* in respect of corporate management principles as it conducts all activities and transactions specified herein.

## **BANK'S HEADQUARTERS AND BRANCH OFFICES**

**Article 4 - (1)** The Company's headquarters is located in Istanbul. The Bank may establish branches, agencies, liaison offices, offices, agents pursuant to the provisions of Banking Act, Capital Market Law, and applicable legislation.

## **TERM**

**Article 5 - (1)** The Bank is incorporated for an indefinite term.

## **SHARE CAPITAL**

**Article 6 - (1)** The Bank's fully paid-in share capital is TL 600.000.000. This share capital is divided into 6.000.000.000 shares with the par value of TL 0.10 each. These shares are divided into two groups as 2,000 (A) group shares and 5.999.998.000 (B) group shares. The previous share capital in the amount of TL 420.000.000 has been fully paid in.

**(2)** The share capital has been increased by TL 180.000.000 and TL 120.000.000 of the said amount has been covered by the addition of extraordinary reserves to the capital. Remaining TL 60.000.000 has been non-collusively subscribed, and paid fully in cash. The shareholders and share capital subscribed by them are shown in Schedule 1.

## **SHARE CERTIFICATES**

**Article 7 - (1)** In accordance with Article 6, the share certificates to be issued to represent the A group shares and the B group shares will be in registered form. The Bank's Board of Directors may issue share certificates representing multiple shares.

**(2)** Pursuant to article 493 of Turkish Commercial Code, share certificates may be transferred only by and between the stock exchanges established under Capital Market Law and their members, investment institutions, collective investment institutions, portfolio management companies, mortgage financing institutions, central clearance institutions, central custody institutions, publicly traded joint stock companies whose share certificates are traded in organized markets, and private pension companies incorporated in accordance with the Law on Private Pension Saving and Investment System, provided that such transfer is not in violation of the capital markets legislation. None of the shareholders shall hold more than 5% of the Bank's capital, other than Borsa Istanbul Inc.. However the shareholdings of the shareholders directly or indirectly holding the aforementioned percentage as of the incorporation of the Bank are reserved, as long as such shares are kept by their owners as of the incorporation of the Bank. Shares representing A group shares belong only to Borsa Istanbul Inc..

**(3)** Transfer announcements of current shareholders as well as institutions and organizations that may become shareholders of the bank pursuant to the provisions hereof may be followed by means of the information infrastructure established on electronic environment.

**(4)** Share certificates may be transferred upon the approval of the Board of Directors. The Board of Directors may refrain from approving a transfer of shares for the purpose of protecting composition of shareholders as set forth in the article 2 or protecting economic and administrative independence of the Bank. It is mandatory to obtain the necessary legal authorizations for the share transfers subject to the authorization of the Banking Regulation and Supervision Authority. The cases where the Banking Act requires the Savings Deposit Insurance Fund to be a shareholder are reserved.

## **INCREASE OR DECREASE OF THE SHARE CAPITAL**

**Article 8 - (1)** The Bank's share capital may be increased or decreased in accordance with the provisions of the Turkish Commercial Code, the Capital Markets Law and other applicable laws and regulations. No new A group shares shall be issued in any share capital increase.

## **BOARD OF DIRECTORS**

**Article 9 - (1)** The Board of Directors comprises of 9 members.

**(2)** The General Assembly shall elect 4 (four) members of the Board of Directors from Borsa Istanbul Inc. holding A group shares, 2 (two) banks holding B group shares, and 2 (two) members from persons nominated by intermediary institutions holding B group shares. The General Manager is a natural member of the Board of Directors in accordance with the Banking Act. In the General Manager's absence, the Assistant General Manager appointed as its deputy shall be a natural member of the Board of Directors.

**(3)** 3 members of the Board of Directors, to be elected from persons nominated by A Group shareholder, act as independent members of the Board of Directors. At least two of the persons to be acting as independent members of the Board of Directors should not have had direct or indirect employment relationships with the A Group shareholder.

**(4)** Nominees proposed to and elected by the Board of Directors should meet the qualifications specified in the banking and capital market legislation.

**(5)** At its first meeting, the Board of Directors shall appoint a President and a Vice President among its members. The President of the Board of Directors shall be elected among the members nominated by A group shareholder. At the same meeting, the chairmen and the members of the Credit Committee, the Audit Committee and the other committees reporting to the Board of Directors shall be elected in accordance with the provisions of the applicable laws and regulations. A person cannot serve as the President of the Board of Directors and the General Manager at the same time.

**(6)** The term of office of the members of the Board of Directors is up to 3 years. The members may be reelected or reappointed.

**(7)** The General Manager shall be elected by the Board of Directors from the nominee or the nominees proposed by the shareholder representing A group shares. Nominees for the position of General Manager must meet the qualifications specified in the Banking Act.

**(8)** In the event of a vacancy in the members of the Board of Directors appointed by the General Assembly, the Board of Directors shall temporarily appoint a person, nominated by the group that previously nominated the member whose leave has resulted in such vacancy, and holding the relevant legal qualifications, and submit this appointment to the approval of the first General Assembly meeting to be held thereafter. Such members shall serve until the General Assembly Meeting. Any members elected by the General Assembly may be replaced at any time by the General Assembly.

**(9)** The President, the Vice President and the members of the Board of Directors are not entitled to take office before taking an oath in accordance with the banking legislation and they are required to declare their property in accordance with the law no. 3628.

**(10)** Attendance fee, wage, bonus and annuity may be paid to the President of the Board of Directors, Vice President of the Board of Directors, and members of the board of directors; provided that such payments are resolved by the General Assembly.

## **THE BOARD OF DIRECTORS MEETINGS**

**Article 10 - (1)** The Board of Directors is required to hold meetings if and when required by the business of the Bank and in any event at least once a month. The meetings may be held at the Bank's Headquarters or Branch Offices, or any other place deemed appropriate by the President of the Board of Directors.

**(2)** The President of the Board of Directors or the Vice President, in the President's absence, has the duty to call the Board of Directors to the meetings, prepare the agendas of the meetings, manage the discussions and ensure the follow up of the resolutions passed.

**(3)** Each of the members may require the President to call the Board of Directors to a meeting or include any item in the agenda.

**(4)** The proposals deemed appropriate by the President shall be included in the relevant meeting's agenda and discussed.

**(5)** In case none of the members makes a request to hold a meeting, resolutions of the Board of Directors may be made upon written approval of at least majority of the total number of members

to a proposal made by a member of the board in respect of a certain subject, written in the form of a resolution. In order for a resolution to be made in this manner to be valid, it should be submitted to all members of the board of directors. While it is not required for approvals to be on the same document; all documents, bearing approval signatures, should be attached to the resolution book of the board of directors or converted into a resolution bearing signatures of approving members in order for the resolution to be valid.

**(6)** The board of directors convenes with majority of the total number of members and makes resolutions with majority of attendants in the meeting. The resolutions passed by the Board of Directors shall be entered to the resolution book and signed in accordance with the provisions of the Banking Act.

**(7)** Meeting of the board of directors can be held completely on electronic environment or by attendance of certain members to a meeting, where certain members are physically available, on electronic environment.

## **COMMITTEES UNDER THE BOARD OF DIRECTORS**

**Article 11 - (1)** The Board of Directors may establish committees to serve under them in order to efficiently and productively conduct its works, and better perform its duties and responsibilities. The duties, authorities and responsibilities of the committees to be established for this purpose and their operation procedures and principles shall be determined by the Board of Directors in accordance with the applicable laws and regulations.

**(2)** The Board of Directors shall establish a Credit Committee to be composed of three members, two of whom to be appointed from the Board members holding the qualifications set forth in the applicable laws and regulations, and the General Manager or his deputy, in order to perform the duties set forth in the Banking Act; and an Audit Committee to be composed of two members to be elected from the Board members holding the qualifications set forth in the applicable laws and regulations, in order to assist the Board of Directors in its supervision and auditing activities and perform the duties set forth in the Banking Act, as well as the duties assigned to it by the Capital Market Board. The Board of Directors shall establish a Corporate Management Committee and may also establish a Risk Management Committee pursuant to regulations, which the Bank is subject to.

**(3)** Each member of the Board of Directors is authorized to require information regarding the activities of the committees, and perform any kind of audit that he deems necessary.

**(4)** The Board of Directors is authorized to not only replace the chairmen or the members of these committees functioning under the Board at any time, but also reestablish the duties, authorities and responsibilities as well as the operation procedures and principles of these committees considering the relevant requirements.

**(5)** The resolutions passed by the "Credit Committee" and the "Audit Committee" shall be entered to the Book of Resolutions and signed by the chairmen and the members of the said committees in accordance with the Banking Act.

## **AUTHORITY TO MANAGE AND BIND THE BANK**

**Article 12 - (1)** The Bank is managed, represented and bound by the Board of Directors. Provisions of the Banking Act and Turkish Commercial Code on authorization of the General Manager, Deputy General Managers and managers to represent and bind the Bank are reserved. In respect of all matters other than those left exclusively to the authority of the General Assembly in

accordance with the provisions of Turkish Commercial Code, Banking Act and other legislation; the Board of Directors shall manage the Bank pursuant to resolutions to be made in compliance with these Articles of Association and legal regulations.

**(2)** In order for documents, instruments, notes issued and agreements made on behalf of the Bank to be legally valid and to bind the Bank; these are required to bear signatures affixed under corporate seal of the bank by signatory authorities of the Bank; degrees, places and forms of which shall be resolved by the Board of Directors, registered with Turkish Trade Registry, and announced in Turkish Trade Registry Gazette.

**(3)** The Board of Directors is responsible for establishment of internal control, risk management and internal audit systems in the bank in compliance with relevant legislation; ensuring functionality, compatibility and sufficiency of such systems; securing financial reporting systems; and determination of authorizations and responsibilities within the Bank.

**(4)** The Board of Directors continuously and effectively evaluates the degree of attaining objectives, activities and performance of the Bank; and also monitors and reviews compliance of activities with relevant legislation, Articles of Association, internal regulations and established policies.

**(5)** Other major duties, powers and responsibilities of the Board of Directors are as follows:

- a) To manage the Bank pursuant to its purpose, to conduct legal transactions on behalf of the Bank under all kinds of businesses and activities in respect of the purpose and the scope of the Bank; to use the title of the Bank and to represent and bind the Bank before shareholders, 3<sup>rd</sup> parties, Public Authorities and Courts, to enter into agreements on behalf of the Bank; to enter into settlements, to make waivers and to resort to arbitration if necessary,
- b) To establish principles and operating policy required in order to conduct Bank activities efficiently and profitably,
- c) To determine principles, terms and limits as well as rates and amounts of interests and commissions for credits to be allocated, resources to be collected and services provided by the Bank,
- ç) To determine limits of the authorization assigned to Credit Committee, General Management and branch managements to allocate collateral and non collateral loans , provided that these limits do not violate the provisions of the Banking Act,
- d) To finalize loans under its authority; and to approve resolutions made by the Credit Committee with majority,
- e) To require any and all information and documents in respect of activities of committees subordinate to the Board of Directors; to check any matter that it shall deem necessary; and to constantly audit activities of committees,
- f) To prepare annual budget of the Bank, to ensure account settlement following every accounting period; to issue annual activity report with balance sheet and profit loss statement; to submit these together with profit distribution proposal to the approval of the General Assembly; to take measures stipulated in Turkish Commercial Code when necessary,



- g) To keep commercial books required by Turkish Commercial Code, tax laws and Banking Act, as well as other commercial books required by the Bank; to have these certified in compliance with the legislation when necessary; to issue documents and keep these within due period; to issue other reports and documents as well as financial reports, required by legal authorities, in compliance with legislative provisions, and to submit these to concerned legal authorities,
- ğ) To decide in respect of purchase, rental, sale and collateralization of immovable properties deemed to be necessary for the collection of receivables and operations of the Bank; to manage capital market instruments portfolio of the Bank,
- h) To approve and implement regulations in respect of loan, administration, organization and services of the Bank,
- ı) To resolve in respect of settlement, acquittal and cancellation issues exceeding the limits of authority granted to General Management,
- i) To determine Bank staff; to determine wages, bonuses, benefits and allowances of employees as well as principles in respect of their appointment, promotion, transfer and dismissal; and to resolve on such matters regarding Bank personnel in its scope of authority,
- j) To resolve on establishment, transfer, unification and closure of branches, agencies, correspondents and agents; and to determine powers of these as well as capital to be allocated to branches pursuant to the provisions of banking legislation,
- k) To perform all other duties imposed by Turkish Commercial Code, Banking Act and other legislation on boards of directors of banks, as well as all affairs and transactions other than those imposed by abovementioned legislation and the Articles of Association on the General Assembly,
- l) To issue bank bonds pursuant to capital market legislation, in amounts and under terms that it deems appropriate.

## **GENERAL MANAGER, DEPUTY GENERAL MANAGERS, DIRECTORS AND MANAGERS**

**Article 13 - (1)** The general manager, the deputy general managers, the directors and the managers are required to hold the qualifications set forth in the Banking Act and other applicable laws and regulations. The General Manager has the duty to carefully and prudently manage the Bank in accordance with the resolutions passed by the General Assembly and the Board of Directors as well as the Turkish Commercial Code, the Banking Act, other applicable laws and regulations and these Articles of Association.

**(2)** The General Manager, the deputy general managers, the directors and the managers are required to declare their property in accordance with the Banking legislation. Those appointed or elected to the aforementioned positions are not allowed to take office before taking an oath, if the banking legislation requires them to take such oath.

### **INDEPENDENT AUDIT**

**Article 14 - (1)** Provisions of Supplementary Article 3 of these articles of association apply until public share in Borsa Istanbul Inc. drops below fifty per cent. The Bank shall be subject to

independent audit pursuant to the provisions of Banking Act, Turkish Commercial Code and Capital Market Law after public share in Borsa Istanbul Inc. drops below fifty per cent.

(2) The auditor is registered with the trade registry and announced in Trade Registry Gazette and the website of the Bank.

## **BANK'S INTERNAL SYSTEMS**

**Article 15 - (1)** The Bank shall establish and operate sufficient and efficient "internal auditing", "internal control" and "risk management" systems adequate for the scope and structure of the Bank's activities and the changing conditions, in order to ensure the monitoring and the control of the risks, in accordance with the principles and procedures set forth by the applicable regulations.

(2) For this purpose, the Bank shall employ a sufficient number of inspectors and internal control personnel to check the compliance of the Bank's activities with the applicable laws and regulations, the provisions of these Articles of Association, the banking principles, the Bank's targets and policies, the resolutions passed by the General Assembly and the Board of Directors and the internal regulations.

(3) A sufficient number of qualified risk management personnel shall be employed in order to define, measure, manage and report the risks pertaining to the Bank.

## **GENERAL ASSEMBLY**

**Article 16 - (1)** The General Assembly, which is the highest decision making body of the Bank, is composed of the shareholders. The Bank's General Assembly has the authority and the duty to perform the duties and pass the resolutions set forth in the Turkish Commercial Code and other applicable laws and regulations.

## **THE GENERAL ASSEMBLY MEETING SCHEDULE AND INVITATION TO MEETINGS**

**Article 17 - (1)** The General Assembly of the Bank shall convene at ordinary and extraordinary meetings in accordance with the quorum set forth in the Turkish Commercial Code. The Ordinary Meeting of the General Assembly shall convene within three months following the annual accounting period.

(2) The invitation to the meetings of the General Assembly shall be made in accordance with the following procedure:

- a) The Board of Directors, even in case of expiration, is authorized to call for General Assembly meetings.
- b) The call for the General Assembly meetings shall be announced at the Turkish Trade Registry Gazette, web site of the Bank, and at least one newspaper published at the place where the Bank's Head Office is located at least two weeks before the date of the meeting. Furthermore the announcements regarding the calls for the ordinary General Assembly meetings shall indicate that the balance sheet, the profit-loss accounts, the Board of Director's report and the Audit reports are made available at the head office and the branch offices of the Bank at least fifteen days before the date of the meeting, for the consideration of the shareholders.

- c) The venue, date, time and agenda of the General Assembly Meeting as well as newspapers, in which the announcement has been or shall be issued, shall be notified to the shareholders, the Ministry of Customs and Trade and the Capital Markets Board by sending a notice by registered mail return receipt requested; and the other documents related to the meeting, if any, shall also be attached to this notice.

## **VENUE OF THE MEETING**

**Article 18 - (1)** The General Assembly shall convene at the Bank's Head Office or any other suitable place located in the province where the Bank's Head Office is located.

## **THE GENERAL ASSEMBLY OPERATING PRINCIPLES AND PROCEDURES**

**Article 19 - (1)** Operating principles and procedures of the General Assembly is determined by an internal directive issued by the Board of Directors and approved by the General Assembly pursuant to the regulation issued by the Ministry of Customs and Trade in this respect.

**(2)** The internal directive is registered with the trade registry and announced within fifteen days from the date of approval by the general assembly. Furthermore, it is also published on the website of the Bank within five days following the date of announcement.

## **MEETING AND DECISION MAKING QUORUMS FOR THE GENERAL ASSEMBLY**

**Article 20 - (1)** In the General Assembly Meetings the meeting and decision making quorums set forth in the Turkish Commercial Code and the Banking Act shall be observed.

**(2)** Regarding any proposal for the amendment of the Bank's Articles of Association, it is necessary to obtain the authorizations and the approvals set forth in the applicable laws and regulations.

**(3)** Within this context, it is necessary to obtain the approval of the Capital Markets Board before applying to the Banking Regulation and Supervision Authority.

## **APPOINTING PROXY**

**Article 21 - (1)** The shareholders may have themselves represented in the General Assembly meetings by a proxy appointed from among the other shareholders or third parties.

**(2)** The Board of Directors shall establish and announce the procedure regarding the proxy voting and the form of the Proxies by taking into consideration the provisions of the Capital Markets legislation.

**(3)** Restrictions and provisions of Banking Act and other legislation, in respect of appointment of proxies, are reserved.

## **VOTING RIGHT**

**Article 22 - (1)** Shareholders exercise their voting rights in the general assembly pro rata total nominal values of shares.

(2) Each share has one voting right.

## ANNOUNCEMENTS

**Article 23 - (1)** Save for the matters required to be announced in the Official Gazette or the Turkish Trade Registry Gazette in accordance with the applicable laws and regulations and unless otherwise is required under the applicable laws, the announcements of the Bank shall be published on the website of the Bank and in a daily newspaper published in the place where the Bank's head office is located, in accordance with the applicable legal time limits.

(2) Regarding the announcements required to be made under the Banking and capital markets legislation, it is necessary to comply with the provisions of the said legislation.

## ACCOUNTING PERIOD

**Article 24 - (1)** The Bank's accounting period is a calendar year and starts on the first day of January and ends on the last day of December.

(2) At the end of each accounting period, the balance sheet, the profit-loss accounts, Audit reports and the reports of the Board of Directors regarding such accounting period shall be made available to the examination of the shareholders fifteen days before the date on which the General Assembly Meeting is to be held.

## ASCERTAINMENT AND DISTRIBUTION OF NET PROFIT

**Article 25 - (1)** The net profit remaining after the deduction of all expenses from the revenues obtained as a result of the Bank's activities in an accounting period shall be subject to following process:

- a) 5% of the net profit shall be set aside as general legal reserves, until the amount of such legal reserves reach one fifth of the paid-in capital.
- b) From the balance, the first dividend at an amount to be determined by the General Assembly shall be set aside and distributed to the shareholders pro rata their shares in the paid-in capital.
- c) The General Assembly may decide to distribute a portion of the balance remaining after the distribution of profits as mentioned above to the shareholders, the members of the Board of Directors and Bank personnel or to set aside all or a part of this balance as reserves. The Board of Directors may make recommendations to the General Assembly regarding this matter, if it deems it necessary.
- d) One tenth of the portion of the dividend decided to be distributed under item (c) of this Article exceeding five percent of the paid-in capital shall be set aside as general legal reserves in accordance with the provisions of the Turkish Commercial Code.
- e) The Board of Directors shall decide on the allocation of the profits decided to be distributed to the President, the Vice President and the Members of the Board of Directors, including the General Manager who is a natural member of the Board of Directors and Bank personnel under item (c) of this Article to the relevant persons. This distribution shall be

made from the net profit. No profit shall be determined unless and until the reserves set forth in item (a) of this Article are set aside.

## **PROFITS DISTRIBUTION TIMING**

**Article 26 - (1)** The General Assembly shall decide on the timing and the procedure regarding the distribution of annual profits.

**(2)** The dividends distributed in accordance with these Articles of Association are not redeemable. The provisions of the Turkish Commercial Code are reserved.

## **ANNUAL REPORTS AND ACCOUNTS**

**Article 27- (1)** The Bank shall send the annual reports of the Board of Directors and the Audit reports as well as the balance sheet, the profit-loss accounts, the minutes of the general assembly meeting, the list of attendants and the annual activity report to the Ministry of Customs and Trade within one month following the General Assembly Meetings. These documents may be submitted to the representative of the Ministry of Customs and Trade present at the said meeting. These documents shall also be sent to the Capital Markets Board on the first business day following the General Assembly Meetings.

**(2)** The annual financial statements, the independent audit reports, the reports of the board of directors and the audit reports, the annual activity reports and the other reports required to be sent to the relevant authorities and agencies in accordance with the Banking Act and other applicable laws and regulations shall be prepared in accordance with the procedure set forth in the applicable laws and regulations and sent to the relevant authorities within the applicable periods.

## **SUBMITTAL OF THE ARTICLES OF ASSOCIATION**

**Article 28 - (1)** The Bank shall print out these Articles of Association and circulate it to the shareholders. The Bank shall also send two copies of these Articles of Association to the Ministry of Customs and Trade, Capital Market Board and the Banking Regulation and Supervision Authority. The updated Articles of Association of the Bank shall also be published at the website of the Bank.

## **MISCELLANEOUS**

**Article 29 - (1)** For matters not provided for in these Articles of Association, the Banking Act's provisions on the development and investment banks, the applicable provisions of the Capital Markets Law and the relevant regulations, and the provisions of the Turkish Commercial Code and other applicable laws and regulations shall be applied. In the event of an amendment in any applicable law, decree or other regulation, such regulation shall be applied in accordance with the amended provisions therein.

## **SUPPLEMENTARY ARTICLE 1-**

(1) The founding shareholders and the number of shares held by each of these shareholders as of the foundation are set forth in the Foundation Articles of Association and the Bank's Share Ledger.

#### **SUPPLEMENTARY ARTICLE 2-**

(1) Matters in these articles of association, which are in violation of new regulations to be made by Capital Market Board in respect of central clearance establishments, shall lose effect.

#### **SUPPLEMENTARY ARTICLE 3-**

(1) Until public share in the capital of Borsa Istanbul Inc. drops below fifty per cent, any and all accounts and transactions of the Bank shall be audited only by an independent auditing firm to be selected by the Undersecretariat of Treasury from independent auditing firms in the list of Capital Market Board. The Bank shall submit the report issued by the independent auditing firm simultaneously to Capital Market Board, Undersecretariat of Treasury and Banking Regulation and Supervision Agency.