

EK:

OLD VERSION	NEW VERSION
AIM AND OBJECTIVES AND FIELD OF ACTIVITY OF THE INCORPORATION	AIM AND OBJECTIVES AND FIELD OF ACTIVITY OF THE INCORPORATION
ARTICLE 3	ARTICLE 3
3.1 Aim and Objectives of the Incorporation Aim and objectives and mission of the Incorporation is as follows:	3.1 Aim and Objectives of the Incorporation Aim and objectives and mission of the Incorporation is as follows:
a) To extend the long range flights network and to improve the global airline identity of the Incorporation;	a)To extend the long range flights network and to improve the global airline identity of the Incorporation;
b) To improve the identity/nature of the Incorporation as a technical maintenance service provider, by improving the technical maintenance unit to a level as an important technical maintenance base in the region;	b)To improve the identity/nature of the Incorporation as a technical maintenance service provider, by improving the technical maintenance unit to a level as an important technical maintenance base in the region;
c) To improve the identity of the Incorporation as a service provider in all civil aviation activities having strategic importance including ground handling and flight training;	c)To improve the identity of the Incorporation as a service provider in all civil aviation activities having strategic importance including ground handling and flight training;
d) To preserve the leading position of the Incorporation in domestic air transportation;	d)To preserve the leading position of the Incorporation in domestic air transportation;
e) Through co-operation with a global airline alliance to integrate its own flight network, in a manner to improve the abroad image of the Incorporation and to improve the marketing possibilities, to procure the Incorporation to perform uninterrupted and qualified flight services;	e)Through co-operation with a global airline alliance to integrate its own flight network, in a manner to improve the abroad image of the Incorporation and to improve the marketing possibilities, to procure the Incorporation to perform uninterrupted and qualified flight services;
f) To make Istanbul a flight hub.	f) To make Istanbul a flight hub.
3.2 Fields of Activity of the Incorporation	3.2 Fields of Activity of the Incorporation
In order to realise its aim and objectives and mission, the Incorporation has been established to perform all types of domestic and international air transportation and the fields of activity of the Incorporation are as follows:	In order to realise its aim and objectives and mission included in Article 3.1 , the Incorporation has been established to perform all types of domestic and international air transportation and the fields of activity of the Incorporation are as follows:

- a) To perform all kinds of air transportation for passengers, mail, live stock and cargo to and from any point in and out of Turkey, and all other works and commitments incidental thereto;
- b) To sell tickets and airwaybill for transportation by aircraft or other conveyance of the Incorporation or of other airlines or real persons or legal entities engaged in air transportation business, to establish and operate ticket sale offices and cargo warehouses necessary for air transportation;
- c) To purchase, sell, lease, rent, produce, repair aircraft, aircraft equipment, any and all kinds of equipment and devices related with air transportation and to establish and operate hangars, warehouses, repair and supply facilities in order to provide maintenance and safeguard thereof;
- d) To operate all types of vehicles and means of conveyance for the transportation of the passengers, mail, live stock and cargo, incidental to air transportation;
- e) To perform “ground handling” and “catering” services; 3
- f) To establish and operate in and abroad organisations (like branches, agencies, offices, etc.) relevant to the subject matter of the Incorporation’s activity, to export and import goods and services incidental thereto;
- g) To install and operate telephone, wireless telephone, wireless telegraph facilities, power plants and transmission lines and other facilities incidental thereto with the purpose of performing any of the aforementioned functions and in compliance with the Radio Law No: 2813;
- h) To construct, operate or lease airports;
- i) To perform land transportation of bonded cargo to domestic points whenever required;
- i) To establish warehouse and depots in order to operate bonded warehouses under control of the Customs Directorates;

- a) To perform all kinds of air transportation for passengers, mail, live stock and cargo to and from any point in and out of Turkey, and all other works and commitments incidental thereto;
- b) To sell tickets and airwaybill for transportation by aircraft or other conveyance of the Incorporation or of other airlines or real persons or legal entities engaged in air transportation business, to establish and operate ticket sale offices and cargo warehouses necessary for air transportation;
- c) To purchase, sell, lease, rent, produce, repair aircraft, aircraft equipment, any and all kinds of equipment and devices related with air transportation and to establish and operate hangars, warehouses, repair and supply facilities in order to provide maintenance and safeguard thereof;
- d) To operate all types of vehicles and means of conveyance for the transportation of the passengers, mail, live stock and cargo, incidental to air transportation;
- e) To perform “ground handling” and “catering” services;
- f) To establish and operate in and abroad organisations (like branches, agencies, offices, etc.) relevant to the subject matter of the Incorporation’s activity, to export and import goods and services incidental thereto;
- g) To install and operate telephone, wireless telephone, wireless telegraph facilities, power plants and transmission lines and other facilities incidental thereto with the purpose of performing any of the functions related to the fields of activity and in compliance with the Radio Law No: 2813 and provisions of other applicable laws;
- h) To construct, operate or lease airports;
- i) To perform land transportation of bonded cargo to domestic points whenever required;
- i) To establish warehouse and depots in order to operate bonded warehouses under control of the Customs Directorates;

<p>j) In order to accomplish the aforementioned functions, to purchase and sell, rent and lease movable and immovable properties, to institute any kind of restraints including mortgage in order to secure its credits and debit, to release those instituted, to institute commercial enterprise pledge, to act as the guarantor of its participations provided that the declarations required by Capital Market Board are made and to accomplish any and all transactions incidental thereto;</p> <p>k) To the extent permitted by the applicable law, to become members of international institutions in regard to its activities, and to perform all financial and administrative activities in order to conclude agreements with the airline operators of other countries and to perform all kinds of activities regarding production and transportation;</p> <p>l) To act as an insurance agency and to become the shareholders of insurance companies pursuant to the applicable law;</p> <p>m) To perform the aforementioned activities directly or procure the performance of these through companies established or by way of participating those already established, to establish participations in and abroad and to use all property rights on the Incorporation's shares in such participations already established or to be established;</p> <p>n) To purchase and sell petroleum and petroleum products, to act as agency, distributor or in similar works incidental thereto; 4</p> <p>o) To purchase and sell computer software and hardware, to act as agency, distributor or in similar works incidental thereto;</p> <p>p) To issue, buy, dispose of, give as guarantee and to perform all other legal rights regarding all kinds of securities and commercial bonds, profit partnership certificates, finance bonds and bonds convertible to shares, in compliance with the Board Resolutions, in cases authorised by the applicable laws, provided that the Incorporation will not act as a commissioner or perform portfolio management;</p>	<p>j) In order to accomplish the functions related to the fields of activity, to purchase and sell, rent and lease movable and immovable properties, to institute any kind of restraints including mortgage in order to secure its credits and debit, to release those instituted, to institute commercial enterprise pledge, in order to execute the commercial activities of the Incorporation in compliance with the declarations required by Capital Market Board, to institute collateral, pledge and mortgage in favor of third parties and subsidiaries included under full consolidation for the preparation of the financial statements and to lend to its' subsidiaries and to accomplish any and all transactions incidental thereto;</p> <p>k) To the extent permitted by the applicable law, to become members of international institutions in regard to its activities, and to perform all financial and administrative activities in order to conclude agreements with the airline operators of other countries and to perform all kinds of activities regarding production and transportation;</p> <p>l) To act as an insurance agency and to become the shareholders of insurance companies pursuant to the applicable law;</p> <p>m) To perform the functions related to the fields of activity directly or procure the performance of these through companies established or by way of participating those already established, to establish participations in and abroad and to use all property rights on the Incorporation's shares in such participations already established or to be established;</p> <p>n) To purchase and sell petroleum and petroleum products, to act as agency, distributor or in similar works incidental thereto;</p> <p>o) To purchase and sell computer software and hardware, to act as agency, distributor or in similar works incidental thereto;</p> <p>p) To issue, buy, dispose of, give as guarantee and to perform all other legal rights regarding all kinds of securities and commercial bonds, profit partnership certificates, finance bonds and bonds convertible to shares, in compliance with the Board Resolutions, in cases authorised by the</p>
--	--

q) To obtain, register, lease and conclude contracts for licences, franchises, trade marks, know-how, technical data and support and all other industrial property rights;

r) To perform all kinds of training, seminars and courses regarding the subject matter of the Incorporation, to co-operate with the related institutions and to participate in their activities;

s) To perform training services regarding the activities of the Incorporation.

In addition to the aforementioned activities, in case it is intended to perform other activities deemed required in order to realise the aim and objectives and mission of the Incorporation, these will be submitted to the approval of the Shareholders Assembly upon offer of the Board of Directors. For the application of such resolutions which require modification in the Articles of Association, the consents of the Ministry of Industry and Trade and the Capital Market Board will be obtained, the resolution will be registered in the Trade Registry and be announced in the Trade Registry Gazette.

SHARE CAPITAL AND SHARE CERTIFICATES

ARTICLE 6

The Incorporation, pursuant to the provisions of Capital Market Law No: 2499 has adopted the registered share capital regime and is applying this regime according to the permission of the Capital Market Board dated 26.10.1990 No: 815.

a. Registered Share Capital

The registered share capital of the Incorporation is 500.000.000.- (five hundred Million) New Turkish Lira. This registered capital is divided into 50.000.000.000 (fifty billion) shares, each with the nominal value of 1 new

applicable laws, provided that the Incorporation will not act as a commissioner or perform portfolio management;

q) To obtain, register, lease and conclude contracts for licences, franchises, trade marks, know-how, technical data and support and all other industrial property rights;

r) To perform all kinds of training, seminars and courses regarding the fields of activity, to co-operate with the related institutions, to participate in their activities, to establish and operate school and educational institutions;

s) To perform training services regarding the activities of the Incorporation.

§) To aid and to make donations in compliance with the provisions of the applicable law.

In addition to the aforementioned activities, in case it is intended to perform other activities deemed required in order to realise the aim and objectives and mission of the Incorporation, these will be submitted to the approval of the Shareholders Assembly upon offer of the Board of Directors. For the application of such resolutions which require modification in the Articles of Association, the consents of the Ministry of Industry and Trade and the Capital Market Board will be obtained, the resolution will be registered in the Trade Registry and be announced in the Trade Registry Gazette.

SHARE CAPITAL AND SHARE CERTIFICATES

ARTICLE 6

The Incorporation, pursuant to the provisions of Capital Market Law No: 2499 has adopted the registered share capital regime and is applying this regime according to the permission of the Capital Market Board dated 26.10.1990 No: 815.

a. Registered Share Capital

The registered share capital of the Incorporation is 2.000.000.000.- (two billion) Turkish Lira. This registered capital is divided into 200.000.000.000 (two hundred billion) shares, each with the nominal value of 1 Kuruş (one

<p>Kurus (one kuruş).</p> <p>b. Issued Share Capital and Share Certificates</p> <p>The issued share capital of the Incorporation is 17.500.000.000.- (seventeen billion five hundred million) New Turkish Lira divided into 175.000.000 (one hundred and seventy five million) shares each with the nominal value of 1 New Kuruş (one kuruş) and is completely paid.</p> <p>Shares are separated into two groups and all of them are registered.</p> <p>By taking into consideration the rules of Capital Market Board and upon consent of the Capital Market Board, the “nature of foreigner” as indicated in paragraph 6(d) below and the limitations incidental thereto and the rights granted to the Incorporation in case of share transfers exceeding the foreign limit not complying with the provisions of the Articles of Association will be denoted on the share certificates issued to represent the share capital.</p>	<p>kuruş).</p> <p>b. Issued Share Capital and Share Certificates</p> <p>The issued share capital of the Incorporation is 875.000.000.- (eight hundred seventy five million) Turkish Lira divided into 87.500.000.000 (eighty seven billion five hundred million) shares each with the nominal value of 1 Kuruş (one kuruş) and is completely paid.</p> <p>The permit provided by the Capital Market Board for the registered capital ceiling is valid for the years 2010-2014 (5 years). In the period ended 2014, even if the registered capital ceiling levels are not attained, in order for the Board of Directors to take capital increase decision for the period after 2014, the Board of Directors must get authorization for a new period at the Shareholders Assembly that will be held after permission of Capital Market Board for a previously approved ceiling level or a new level. In case the company doesn't get such an authorization, the company will be considered as signed out from the registered capital system.</p> <p>From 2010 to 2014, The Board of Directors is authorized to increase the issued capital when necessary by issuing registered share certificates up to the registered capital ceiling, in compliance with the provisions of Capital Market Law.</p> <p>The shares that represent the capital are being tracked within the frame of dematerialization principles.</p> <p>Shares are separated into two groups and all of them are registered.</p> <p>By taking into consideration the rules of Capital Market Board and upon consent of the Capital Market Board, the “nature of foreigner” as indicated in paragraph 6(d) below and the limitations incidental thereto and the rights granted to the Incorporation in case of share transfers exceeding the foreign limit not complying with the provisions of the Articles of Association will be denoted on the share certificates issued to represent the share capital.</p>
---	---

Below are the shares of the share groups in the issued share capital of the Incorporation:

GROUP	AMOUNT OF CAPITAL	TYPE	AMOUNT OF SHARES
A	174.999.999,99	Registered	17.499.999.999
C	0,01	Registered	1
TOTAL	175.000.000,00		17.500.000.000

Group C share is owned by Prime Ministry, Privatisation Directorate, or in case such duties are transferred by the Prime Ministry, Privatisation Directorate then the transferee institution. Privileges granted to the Group C Share in this Articles of Association, will continue to apply as long as Prime Ministry, Privatisation Directorate or in case such duties are transferred by the Prime Ministry, Privatisation Directorate, then the transferee institution holds this Group C share.

In the event of cancellation of the privilege granted to Group C share in this Articles of Association, then Group C share will convert to a Group A share. Upon such conversion of the Group C share to a Group A share, then the right "to nominate a Board Member" granted in Article 10 of this Articles of Association to Group C, will pass to the shareholders holding Group A shares.

c. Preferential Purchase Option

The Board of Directors is entitled to issue premium shares in compliance with the provisions indicated in Article 8. Unless limited with the authorised board of the Incorporation, the shareholders will participate the capital increase in proportion to the shares held by them and will have the preferential option to purchase the shares issued under their group. Group C will not participate in the capital increase with a preferential purchase option. 7

d. Shareholders Nature

Below are the shares of the share groups in the issued share capital of the Incorporation:

GROUP	AMOUNT OF CAPITAL	TYPE	AMOUNT OF SHARES
A	874.999.999,99	Registered	87.499.999.999
C	0,01	Registered	1
TOTAL	875.000.000,00		87.500.000.000

Group C share is owned by Prime Ministry, Privatisation Directorate, or in case such duties are transferred by the Prime Ministry, Privatisation Directorate then the transferee institution. Privileges granted to the Group C Share in this Articles of Association, will continue to apply as long as Prime Ministry, Privatisation Directorate or in case such duties are transferred by the Prime Ministry, Privatisation Directorate, then the transferee institution holds this Group C share.

In the event of cancellation of the privilege granted to Group C share in this Articles of Association, then Group C share will convert to a Group A share. Upon such conversion of the Group C share to a Group A share, then the right "to nominate a Board Member" granted in Article 10 of this Articles of Association to Group C, will pass to the shareholders holding Group A shares.

c. Preferential Purchase Option

The Board of Directors is entitled to issue premium shares in compliance with the provisions indicated in Article 8. Unless limited with the authorised board of the Incorporation, the shareholders will participate the capital increase in proportion to the shares held by them and will have the preferential option to purchase the shares issued under their group. Group C will not participate in the capital increase with a preferential purchase option.

d. Shareholders Nature

The shares held by the foreigner shareholders may not exceed 40 % of the issued share capital of the Incorporation. In calculating the rates of the shares held by the foreigner shareholders, the rate of foreign shareholding in the shares held by the shareholder holding Group A shares which are not open for public will be taken into consideration as well.

Foreign shareholder shall mean:

- foreign natural or legal persons;
- Turkish companies, share capital of over 49 % of which are owned by foreigners;
- Turkish companies in which majority members of administrative and representative boards are not Turkish citizens and in which majority votes are not on Turkish partners according to their articles of associations;
- Turkish companies under actual control of the aforementioned.

In order to ensure that the aforementioned share rate limitations on the foreigner partners will be complied with the provisions of the Articles of Association, the Incorporation will use separate parts for foreign shareholders in registering the shareholders and their related share rates in the Share Register.

It is obligatory to promptly notify the Incorporation of any share purchase and sale reaching to 1 % of the issued share capital of the Incorporation. Moreover, the shareholders who have reached or exceeded the maximum foreign shareholding rates as indicated in this Articles of Association, are obliged to promptly notify the Incorporation as they become aware of this. The purpose of such notification is to follow the foreigner element and remarkable share movements and to ensure the Board of Directors to perform its powers based on these, and only notification will not result with the nature of being a shareholder unless registered in the Share Register, and only the records in the Share Register will be relied on in such cases.

In cases where it is understood through the notifications or through other

The shares held by the foreigner shareholders may not exceed 40 % of the issued share capital of the Incorporation. In calculating the rates of the shares held by the foreigner shareholders, the rate of foreign shareholding in the shares held by the shareholder holding Group A shares which are not open for public will be taken into consideration as well.

Foreign shareholder shall mean:

- foreign natural or legal persons;
- Turkish companies, share capital of over 49 % of which are owned by foreigners;
- Turkish companies in which majority members of administrative and representative boards are not Turkish citizens and in which majority votes are not on Turkish partners according to their articles of associations;
- Turkish companies under actual control of the aforementioned.

In order to ensure that the aforementioned share rate limitations on the foreigner partners will be complied with the provisions of the Articles of Association, the Incorporation will use separate parts for foreign shareholders in registering the shareholders and their related share rates in the Share Register.

It is obligatory to promptly notify the Incorporation of any share purchase and sale reaching to 1 % of the issued share capital of the Incorporation. Moreover, the shareholders who have reached or exceeded the maximum foreign shareholding rates as indicated in this Articles of Association, are obliged to promptly notify the Incorporation as they become aware of this. The purpose of such notification is to follow the foreigner element and remarkable share movements and to ensure the Board of Directors to perform its powers based on these, and only notification will not result with the nature of being a shareholder unless registered in the Share Register, and only the records in the Share Register will be relied on in such cases.

In cases where it is understood through the notifications or through other

means that the total shares held by the foreign shareholders have exceed 40 % of the issued share capital of the Incorporation, then the Board of Directors will be under the obligation, to promptly notify the related shareholders lately within 7 (seven) days, starting from the latest share transfer, to dispose of the shares which exceed the foreign shareholding limit, in amounts and rates to be in conformity to the foreign shareholding limit and otherwise the Incorporation will be entitled to apply any of the measures indicated below. The foreign shareholder to whom the notice to dispose of its exceeding shares has been served, will be under the obligation to sell such shares which have caused the foreign shareholding limit to be exceeded, to a person who is not included in the foreign shareholder definition in this Articles of Association, within the period stated in the notice. In case such shares are not disposed despite the notification, then the Board of Directors will be under the obligation to meet in 3 (three) days and to take a resolution to cover the measures indicated below in regard to the shares exceeding the limit.

(i) To redeem with the nominal value, the shares held by the foreign shareholder which has caused the foreign shareholding limit to be exceed, through decreasing the share capital; with this purpose, the Incorporation will first notify the shareholder who has exceed the foreign shareholding limit that his shares will be redeemed. In case such a notice may not be served then the fact will be announced in two newspapers published at the place where the head office of the Incorporation is located. Expenses related with such redemption, will be collected from the shareholder who has caused the redemption, through deduction from the redemption amount.

(ii) In cases where the total share rate of the foreign shareholder is over the limit indicated in this Articles of Association, then the Board of Directors will be entitled to increase the share capital in order to reduce the rate of the shares exceeding the limit. In this case, new shares may be issued by limiting the preferential purchase options of the existing shareholders according to the rules of the Capital Market Board.

In cases where the foreign shareholding limit as indicated in this Article is

means that the total shares held by the foreign shareholders have exceed 40 % of the issued share capital of the Incorporation, then the Board of Directors will be under the obligation, to promptly notify the related shareholders lately within 7 (seven) days, starting from the latest share transfer, to dispose of the shares which exceed the foreign shareholding limit, in amounts and rates to be in conformity to the foreign shareholding limit and otherwise the Incorporation will be entitled to apply any of the measures indicated below. The foreign shareholder to whom the notice to dispose of its exceeding shares has been served, will be under the obligation to sell such shares which have caused the foreign shareholding limit to be exceeded, to a person who is not included in the foreign shareholder definition in this Articles of Association, within the period stated in the notice. In case such shares are not disposed despite the notification, then the Board of Directors will be under the obligation to meet in 3 (three) days and to take a resolution to cover the measures indicated below in regard to the shares exceeding the limit.

To redeem with the nominal value, the shares held by the foreign shareholder which has caused the foreign shareholding limit to be exceed, through decreasing the share capital; with this purpose, the Incorporation will first notify the shareholder who has exceed the foreign shareholding limit that his shares will be redeemed. In case such a notice may not be served then the fact will be announced in two newspapers published at the place where the head office of the Incorporation is located. Expenses related with such redemption, will be collected from the shareholder who has caused the redemption, through deduction from the redemption amount.

In cases where the total share rate of the foreign shareholder is over the limit indicated in this Articles of Association, then the Board of Directors will be entitled to increase the share capital in order to reduce the rate of the shares exceeding the limit. In this case, new shares may be issued by limiting the preferential purchase options of the existing shareholders according to the rules of the Capital Market Board.

In cases where the foreign shareholding limit as indicated in this Article is

exceed, the Board of Directors will be entitled to resolve about the method to apply firstly to reduce the share rates to the limits permitted. 9

INDEPENDENT AUDITING

ARTICLE 25

The Board of Directors shall appoint for minimum two and maximum four accounting years an independent auditing firm pursuant to the provisions of Capital Market Law and the applicable rules, to audit the accounts within the scope of the aforementioned laws and rules, and determine the fees to be paid to such firm; however such appointment will be subject to the approval of the following Shareholders Assembly. The balance sheet and statement of accounts of the Incorporation, 19 annual reports of the Board of Directors and the Auditors as well as the annual audit reports prepared by the independent auditing firm and summary reports will all be prepared in conformity with the standards set forth by the provisions of Capital Market Law and the Bulletins and Regulations issued by the Capital Market Council.

SHAREHOLDERS ASSEMBLY

ARTICLE 26

Shareholders Assembly of the Incorporation will either held ordinary or extra-ordinary meetings. Ordinary Shareholders Assembly meetings will be held at least once a year and within 3 (three) months following the end of the accounting year. Extraordinary Shareholders Assembly meetings may be held whenever required.

exceed, the Board of Directors will be entitled to resolve about the method to apply firstly to reduce the share rates to the limits permitted.

INDEPENDENT AUDITING

ARTICLE 25

The Board of Directors shall appoint for minimum two and maximum four accounting years an independent auditing firm pursuant to the provisions of Capital Market Law and the applicable rules, to audit the accounts within the scope of the aforementioned laws and rules, and determine the fees to be paid to such firm; however such appointment will be subject to the approval of the following Shareholders Assembly. **Applicable rules of Capital Market Board related to the approval of the independent Auditor and to the Independent Auditing Principles will be applied.** The balance sheet and statement of accounts of the Incorporation, annual reports of the Board of Directors and the Auditors as well as the annual audit reports prepared by the independent auditing firm and summary reports will all be prepared in conformity with the standards set forth by the provisions of Capital Market Law and the Bulletins and Regulations issued by the Capital Market Council.

SHAREHOLDERS ASSEMBLY

ARTICLE 26

Shareholders Assembly of the Incorporation will either held ordinary or extra-ordinary meetings. Ordinary Shareholders Assembly meetings will be held at least once a year **and at a time pursuant to the laws.** Extraordinary Shareholders Assembly meetings may be held whenever required.

<p>DETERMINATION AND DISTRIBUTION OF PROFIT</p> <p>ARTICLE 36</p> <p>The net profit, as indicated in the annual balance sheet, found after deducting from the revenue of the Incorporation, the amounts required to be paid or reserved by the Incorporation like general expenses and various depreciations and the taxes required to be paid by the Incorporation, following the deduction of the losses of the past years, will be distributed in the following priority:</p> <p>a) Legal reserve fund in the rate of 5 % will be reserved.</p> <p>b) First dividend in the rate and amount as determined by Capital Market Board will be deducted from the balance. 23</p> <p>c) After deducting from the net profit the amounts indicated in clauses (a) and (b) above, the Shareholders Assembly will be entitled to resolve either to distribute as second dividend or to reserve as extraordinary reserve fund, the entire or any portion of the balance.</p> <p>d) Second reserve fund will be reserved according to Article 466, paragraph 2, clause 3 of Turkish Commercial Code in the rate of one tenth of the amount found after deducting the profit share in the rate of 5 % of the issued share capital from the amount resolved to be distributed to the shareholders and those entitled to participate the profit.</p> <p>e) Unless legal reserves required by law and the first dividend determined in the Articles of Association for the shareholders are reserved, no resolution may be adopted to reserve other reserve funds, to transfer profit to the coming year, and unless first dividend is paid in cash and/or in share certificates, no resolution may be adopted to distribute profit to the privileged shareholders in profit distribution, to the holders of participation, founder and ordinary interest certificates, to the members of the Board and officers, employees and workers, to the trusts established for various purposes and similar persons and/or institutions.</p>	<p>DETERMINATION AND DISTRIBUTION OF PROFIT</p> <p>ARTICLE 36</p> <p>The net profit, as indicated in the annual balance sheet, found after deducting from the revenue of the Incorporation, the amounts required to be paid or reserved by the Incorporation like general expenses and various depreciations and the taxes required to be paid by the Incorporation, following the deduction of the losses of the past years, will be distributed in the following priority, by complying with the Capital Market regulations:</p> <p>a) Legal reserve fund in the rate of 5 % will be reserved.</p> <p>b) First dividend in the rate and amount as determined by Capital Market Board will be deducted from the balance.</p> <p>c) After deducting from the net profit the amounts indicated in clauses (a) and (b) above, the Shareholders Assembly will be entitled to resolve either to distribute as second dividend or to reserve as extraordinary reserve fund, the entire or any portion of the balance.</p> <p>d) Second reserve fund will be reserved according to Article 466, paragraph 2, clause 3 of Turkish Commercial Code in the rate of one tenth of the amount found after deducting the profit share in the rate of 5 % of the issued share capital from the amount resolved to be distributed to the shareholders and those entitled to participate the profit.</p> <p>e) Unless legal reserves required by law and the first dividend determined in the Articles of Association for the shareholders are reserved, no resolution may be adopted to reserve other reserve funds, to transfer profit to the coming year, and unless first dividend is paid in cash and/or in share certificates, no resolution may be adopted to distribute profit to the privileged shareholders in profit distribution, to the holders of participation, founder and ordinary interest certificates, to the members of the Board and officers, employees and workers, to the trusts established for various purposes and similar persons and/or institutions.</p>
--	--

--	--