

**PRINCIPLES REGARDING MANDATORY AMENDMENTS IN THE
ARTICLES OF ASSOCIATION OF CORPORATIONS ACCORDANCE
WITH THE CAPITAL MARKET LAW NUMBERED 2499 AND REQUIRED
QUORUM FOR THESE AMENDMENTS**

1 - (Published in the Official Gazette dated 10.07.1982 numbered 17750)

2 – (“Communiqué About Change in the Article 2 of the Communiqué on Principles Regarding Mandatory Amendments in Articles of Association Accordance With the Capital Market Law Numbered 2499 and Required Quorum For These Amendments Issuance of Participated Dividend Shares” Serial: IV, No: 3 is published in the Official Gazette dated 10.12.1983 numbered 17894.)

Serial : IV

No : 2

Abbreviations:

Law : The Capital Market Law ,
Board : Capital Markets Board,
Corporation : Joint Stock Corporation,
TCC : Turkish Commercial Code.

Mandatory Amendments in the Articles of Association

ARTICLE 1- According to the Provisional Article 3 of the Law and Article 6 of the Communiqué Serial: IV , No: 1 published in the Official Gazette dated 28 February 1982 numbered 17817, corporations which offer their shares to the public (Corporations which have over 100 shareholders are accepted as having this status by the Law.) must harmonize their Articles of Association with the Law by 31.12.1982; in order to fulfil this obligation, general shareholders’ meetings must be held and decisions must be taken according to the procedure and majority requirements of ordinary shareholders’ meetings. Clauses of Articles of Associations that are not harmonized with the Law before the deadline will not have application power, instead, clauses of the Law and principles taken by the Board based on the authority given by the Law will be exercised.

Regarding the amendment of the Articles of Association, it is mandatory only for the provisions required by the Law, not for the optional amendments in other clauses.

According to the Law, amendments in the Articles of Associations to include the following issues are required for corporations whose shares are offered to the public or that are considered so:

a) According to the first paragraph of the Article 15 of the Law, the first dividend ratio, not being less than the ratio determined by the Board must be stated in the Articles of Association (It is possible that this clause may be stated in the Articles of Association as "The first dividend rate is the amount determined by the Board".),

b) According to the second paragraph of the Article 15 of the Law, it must be stated in the Articles of Association that, unless the amount of reserves determined by the Law and the first dividend of shareholders which is determined in the Articles of Association are allocated, allocation of additional reserves, deferring retained earnings to the next year and dividend payment to members of the board of directors, officers, clerks and workers cannot be made.

In order to allocate dividend to members of the board of directors, officers, clerks and workers, there must be a clause in Articles of Association according to the Article mentioned above,

Meeting and Decision Quorum in Shareholders' Meetings

ARTICLE 2 - (As amended by the Communiqué Serial: IV, No: 3)

If decision on the required amendments for harmonizing the corporations' Articles of Association with the Law is taken in the first ordinary shareholders' meetings which will be held in 1983, in these meetings the meeting and decision quorums stipulated in Article 372 of the TCC shall apply.

Repealed Provision

ARTICLE 3 – The sub-paragraph (c) of the first paragraph of the Article 6 of the Communiqué Serial: IV, No: 1 of the Board has been overruled.

Entry into Force

ARTICLE 4 – This Communiqué shall enter into force on the date of its publication.