

COMMUNIQUE ON PRINCIPLES REGARDING ISSUANCE OF PROFIT SHARING BONDS

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Purpose and Scope

ARTICLE 1 – Principles that should be followed in issuing profit sharing bonds based on TCC and the features of these bonds are regulated by this Communiqué.

Definitions and Abbreviations

ARTICLE 2 – For the purposes of this communiqué, the following definitions shall apply:

Law : The Capital Market Law No: 2499 amended by Law No: 3794 in effect since 13 May1992,

Board : Capital Markets Board,

Issuer : Joint stock corporations and state economic enterprises including the ones in the scope of privatization,

Issue : Sale of bonds issued by the issuer through public offering or without public offering,

TCC : Turkish Commercial Code.

Issuance of Profit Sharing Bonds

ARTICLE 3 - Issuers can issue profit sharing bonds on the condition that there is a provision in their Articles of Association or private legislations in the framework of the Article 422 of the TCC or the Article 13 of the Law.

Profit sharing bonds are subject to the registration principles and procedures of the Board which the other bonds are subject to, together with the other regulations of the Board related to the issuance of bonds.

Profit sharing bonds are issued as capital repayment on maturity. Payment of the capital can not be divided into years.

These bonds can be issued in registered or in bearer form.

Share of Profit to be Given to the Bonds

ARTICLE 4 - Issuers prepare their financial reports by taking into account the regulations of the Board and use these financial reports in calculation of the share of profit which will be paid because of the profit sharing bonds.

Calculation method and payment date of the share of profit which will be given each year to the bonds are indicated at the prospectus and circular and on the front side of the bond it is disclosed that the bond is profit sharing.

Issuers can choose one of the following principles at the determination of the share of profit of the period which will be given to the bonds:

a) The interest and in addition to this, amount per share which is calculated according to the percentage of share of profit clarified for bond series.

b) If the share of profit is less than the interest, payment of interest; if the accrued share of profit is equal to or more than the interest, payment of the share of profit.

c) Payment of the share per bond from the amount which is calculated according to the percentage of share of profit, determined for bond denomination without specifying an interest rate.

Share of profit which will be paid to the bonds in terms of corporations whose shares have been offered to public or considered to have been offered to public, cannot reduce the amount of the first dividend which has to be set aside in the framework of the principles and procedures determined by the Board. However, these corporations can calculate the share of profit which will be paid to bonds over the base of the first dividend.

Determination of the Share of Profit and the Payment Dates of the Share of Profit and/or Interest

ARTICLE 5 – The issuers are free to determine the payment dates of the interest payable in the scope of the subparagraphs (a) and (b) of the second paragraph of the Article 4 in respect of regulations in force. Interests are paid on due date determined in prospectus.

Share of profit payable to bonds, at the latest, are kept ready, in two months following the approval of the balance sheet by the general assembly, in favour of bond holders by making necessary announcements.

If the bond is hold less than a year in the liabilities side of the balance sheet, the share of profit is calculated in the base of annually calculated amount over the amount per period.

Bond holders benefit from the rights enabled by the first paragraph of the Article 362 of the TCC about the share of profit calculation.

Restriction of Transaction

ARTICLE 6 - The chairman and the members of the board of directors, internal auditors, delegated managers, general manager of the issuer and their assistances, the persons having similar positions to the stated positions in terms of the authority and liability together with these persons or the other entities and persons having relation in terms of the issuers' management or auditing or capital cannot purchase profit sharing bonds issued by related issuers.

Notification to the Board

ARTICLE 7 - Bond issuers shall submit to the Board the decisive share of profit calculation and payment date of the bond within 6 working days after the approval of the balance sheet.

Entry into Force

ARTICLE 8 – This Communiqué shall enter into force on the date of its publication.