

ARTICLES OF ASSOCIATION
TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI ANONİM ŞİRKETİ
(*Turkish Republic Ziraat Bank Inc.*)

PART ONE

Foundation:

Article 1 - “T.C. Ziraat Bankası” has been converted into “T.C. Ziraat Bankası A.Ş.” (Turkish Republic Ziraat Bank Inc.) under the Law no. 4603.

Title:

Article 2- Business Title of the Bank is “Türkiye Cumhuriyeti Ziraat Bankası Anonim Şirketi” (Turkish Republic Ziraat Bank Inc.). Its acronym is “Ziraatbank”, “Ziraat Bankası”, which shall be called hereinafter briefly as the “**Bank**”.

Head Office and Organization:

Article 3- Head Office of the Bank is located in İstanbul at “Finanskent Mahallesi, Finans Caddesi 44/A Ümraniye/İstanbul.

The Organization of the Bank consists of the Head Office, domestic and foreign operations units.

Purpose and Scope:

Article 4.1- Purpose of the Bank is to carry out all kinds of banking transactions as per Article 4 of the Banking Law by which all of deposit/saving banks are allowed to fulfill such transactions, including receipt/acceptance of deposits, subject to performance and execution of all obligations and liabilities as stipulated in the Banking Law No. 5411 and in other applicable ordinances.

4.2- In order to accomplish its objectives and purposes, the Bank shall exercise all powers vested by the Banking Law and other applicable ordinances.

4.2.1- Furthermore, the Bank shall carry out any and all activities and operations such as, to extend all kinds of Turkish and Foreign Currency cash and non-cash credits, to act as intermediary agency in issuance, buying, selling of financial instruments used in the local and international financial markets, to carry out investment banking transactions, to buy, sell, transfer credits (loans) on wholesale or retail basis, to execute trading (buying/selling) transactions at local and foreign futures markets, to supply fund inter-bank money markets, from domestic and foreign markets, to carry out all sorts of capital market transactions, to act in the capacity of intermediaries in import and export transactions, to act as agencies for insurance companies and other financial institutions, to participate in all kinds of partnerships incorporated by banks within Turkey and abroad or in which they may be partner within provisions of the related ordinances or to set up new partnerships for this purpose or to withdraw from such established partnership;

4.2.2- to acquire and utilize all limited real and personal rights such as rights of possessing all kinds of immovable and movable properties, industrial and intellectual property rights, rights of usufruct. Easement and superficies (construction) and to sell, transfer any and all properties and rights so possessed, to establish liens and mortgages on these properties and rights, to redeem such properties and rights from liens and mortgages, as well as to conduct any and all related transactions and formalities thereof, to lease or let out movable and immovable properties, industrial and intellectual property rights, to put and affix their preliminary lease and sales contracts onto the title deed, etc.

Acquisition of Movable and Immovable Properties and Transactions on Movable and Immovable Properties

Article 5.1- The Bank shall not be authorized to buy and sell immovable properties and commodities for commercial purposes. The Bank shall not be authorized to participate in partnerships exclusively dealing with the trade of immovable properties, except for mortgaged house financial agencies (i.e. financial institutions providing funds for houses under mortgage) and real estate investment partnerships.

5.2- However, reserving provisions of the related ordinances, under the resolution of the Board of Directors of the Bank, the Bank shall be free to acquire all sorts of rights of movable and immovable properties and specifically industrial and intellectual property rights and similar rights as well as such real rights as rights of redemption and usufruct, superficies and rights of receivables, and to sell, transfer, pledge or mortgage them to others, to take pledge and mortgage over movable and immovable properties in its own favor, to redeem existing mortgages, to assign its receivables and its associated securities, to lease or let out movable and immovable properties, industrial and intellectual property rights and the like, to cause to be put and affixed their preliminary lease and sales contracts onto the title deed in its favor, to cause such annotations removed from the title deed, to create liens and mortgages individually or collectively and pro rata thereon.

5.3- In order to carry out its banking operations and to collect its receivables within the legally prescribed limits, the Bank may acquire movable and immovable properties and may dispose them by way of sale, barter and otherwise, when necessary.

5.4- The Bank shall be free to receive all kinds of securities in kind and personal form so as to collect and obtain its rights and receivables. In connection with them the Bank shall perform registration, cancellation and all other transactions before the title deed offices, tax offices and similar government and private sector organizations.

PART TWO CAPITAL AND STOCKS AND BONDS

Capital

Article 6- The capital of the Bank is 84,600,000,000.-Turkish Lira. All of the capital is owned by the Turkiye Wealth Fund. The capital was divided into 84,600,000,000 registered nominative shares with a value of 1 Turkish Lira each. The Bank's former capital of 34,900,000,000.-Turkish Lira was paid up. This time, the increased amount of 49,700,000,000.- Turkish Lira was committed as cash and without collusion and was paid up before the registration date.

Issuance of Stocks and Bonds (debt/borrowing instruments)

Article 7- The Bank can issue all kinds of stocks and bonds which are specified and described in the Ordinances of the Capital Market, ensuring to get into debt. The Bank's Board of Directors is authorized in the issuance of stocks and bonds.

PART THREE AUTHORIZED BODIES and COMMITTEES OF THE BANK

Authorized Bodies of the Bank:

Article 8- Reserving provisions of the Banking Law No. 5411, Authorized Bodies of the Bank are composed in the form of the General Assembly, the Board of Directors, General Manager and Committees to be created pursuant to the applicable ordinances.

General Assembly:

Article 9- General Assembly of the Bank may convene ordinarily or extraordinarily. Ordinary meeting of the General Assembly shall be held at least once a year and within three months from the end of the Bank's accounting year. Extraordinary meetings shall be called as and when dictated by the affairs of the Bank, according to the provisions of the Turkish Code of Commerce and of the present Articles of Association and the General Assembly takes necessary resolutions.

Duties and Powers of the General Assembly:

Article 10- Other than matters stipulated in the present Articles of Association, the General Assembly shall perform duties and exercise powers as laid down in the Turkish Code of Commerce, the Banking Law and the related legislations.

Meeting of the General Assembly:

Article 11- The General Assembly convenes in the city where Head Office of the Bank is located or in a place within the borders of Ankara province. The authorization of choice of place belongs to the person who summons the meeting.

Invitation to the General Assembly Meeting and Announcement:

Article 12- Date, time, venue and agenda The General Assembly is convened to the Meeting in accordance with the present Articles of Association by announcement at the Bank's Web Site and Turkish Commercial Registry Journal and in at least one newspaper published at the locality of the Bank's Head Office. In the said announcement date, time, venue and agenda of the Meetings are indicated and the announcement is made at least 2 (two) weeks in advance the date of Meeting, except days of notice and meeting. Provisions of the Turkish Code of Commerce allowing that General Assembly Meetings are to be held without complying to the ceremonies related with the notice of invitation are reserved.

Agenda:

Article 13- The following particulars shall be included in the agenda: reading out reports of the Board of Directors, Auditors; elaboration and ratification of balance sheet profit-loss accounts; indemnification of directors of the Board of Directors and of Auditors; motions regarding distribution of profit, election of new directors of the Board of Directors and of new Auditors in place of those whose office term expired and discussion of same by the Board of Directors and other particulars deemed necessary and other items of agenda as specified by the Turkish Code of Commerce.

Chairmanship of the General Assembly Meeting:

Article 14.1- Meetings of the General Assembly are opened by the Chairman of the Board of Directors of the Bank, in case of his actual and legal absence, opened by the Deputy Chairman of the Board of Directors or opened by one of the directors of the Board of Directors. The Executive Committee of the meeting of the General Assembly chaired by the Chairman of the Board of Directors or deputy Chairman of the Board of Directors or by the General Director consists of two secretaries to be elected among partners and two vote collectors to be elected either among partners or non-partners.

14.2- The Board of Directors prepares an internal directive containing rules related with operational principles and procedures of the General Assembly. This Internal Directive shall enter into force and effect upon approval by the General Assembly and then shall be registered and announced.

Quorum:

Article 15- General meetings and quorum at such meetings are subject to the related provisions of the Turkish Code of Commerce.

Right to Vote and Type of Voting:

Article 16.1- Shareholders use their right to vote pro rata/in proportion to the total nominal value of their shares.

16.2- Although each and every shareholder has got only one share, the respective shareholder shall have only one right to vote.

Ratification of the Balance Sheet and Indemnification:

Article 17- The General Assembly's resolution on ratification of the balance sheet, unless otherwise specified in the resolution, results in indemnification of members of the Board of Directors, Executive Officers and of the auditors. However, if some particulars are never indicated or are indicated in due form or the balance sheet contains some particulars which hinder revealing the actual condition of the Bank and which is acted deliberately then the ratification/approval shall not inure the effect of indemnification. The resolution of indemnification cannot be lifted by the decision of the General Assembly.

Board of Directors:

Article 18- Board of Directors consists of 9 (nine) members. Members of the Board of Directors are elected by the General Assembly. The Board of Directors elects one of its members as the Chairman of the Board of Directors at its first meeting following the members swearing in ceremony. At this meeting one of the members is elected as the Deputy Chairman of the Board of Directors. The Board of Directors shall be chaired by the Chairman of the Board of Directors and in case of his absence chaired by the Deputy Chairman of the Board of Directors. Requirements as set forth in the Banking Law for the General Manager (CEO) are also sought for one plus half of the members of the Board of Directors.

Duties and Powers of the Board of Directors:

Article 19.1- The Bank shall be managed and represented by the Board of Directors. The Board of Directors and the Management at the field left to it, shall have the authority to take decision on all kinds of issues and transactions required for accomplishment of the Bank's business activity, except for those which are left to the power of the General Assembly under the Law and the provisions of the Articles of Association of the Bank.

19.2- The Board of Directors shall be under the obligation to fulfill all tasks and to exercise all powers vested it by the Turkish Code of Commerce, Banking Law and all other applicable ordinances. The Board of Directors shall have the right to assign its management power completely or partially by means of an internal directive to be issued by it. It is mandatory that the persons to whom the right of management is assigned should have the conditions and requirements as prescribed in the Law and Regulations.

19.3- In order that a Contract, Deed, Power of Attorney and other instruments may bind and commit the Bank, these documents and instruments must bear the signatures of at least two authorized officials as per circular of master signatures which has been prepared by the Board of Directors and registered by the Commercial Register and published in the Turkish Commercial Registry Journal, beneath the Business Title of the Bank.

Tenure of Members of the Board of Directors and Termination of Membership:

Article 20- Members of the Board of Directors are to be elected for a period of three years.

Meetings of the Board of Directors:

Article 21.1- The Board of Directors shall convene upon invitation of the Chairman of the Board of Directors, the Deputy Chairman of the Board of Directors or of any member of the Board of Directors at times as required by the business and affairs of the Bank. Venue and time of the Meeting shall be indicated in the notice of invitation (convocation) for the Meeting.

21.2- Agenda of the Board of Directors is arranged by the inviter and shall be communicated to the directors by any means or delivered by hand with the accompaniment of letter of invitation.

21.3- The agenda is determined and distributed to the directors/members in advance the date of meeting. In cases of emergency upon request of the Chairman of the Board of Directors, new items may be added to the agenda. Members/Directors of the Board of Directors may also submit motions on matters related for taking resolution of the Board of Directors.

21.4- It is obligatory that absolute majority of the full number of members (5 members) must be present at the meeting in order that the Board of Directors may convene and discuss the agenda. Resolutions of the Board of Directors shall be taken with participation of the absolute majority of the full number of members/directors.

21.5- Unless one of the members/directors makes request for discussion, on condition that a motion is made by one of them on a specific issue should be submitted to the members/directors of the Board of Directors, resolution of the board of directors may also be reached by taking written approval of at least the majority of full number of members/directors.

21.6.1- It is possible to attend meetings of the Board of Directors through all sorts of technological methods ensuring access from remote distance. At meeting to be held by this method motions may be submitted, views and thoughts may be provided and vote may be cast.

21.6.2- The parties who have the right to attend meeting of the Board of Directors of the Bank may also attend these meeting at the electronic environment pursuant to Article 1527 of the Turkish Code of Commerce. The Bank may set up an Electronic Meeting System allowing the right holders/share holders attend these meetings at electronic environment and cast their votes or may purchase/hire service from systems which have been established for this purpose, pursuant to provisions of the Communiqué on General Assemblies to be Held at the Electronic Environment other than General Assemblies of Joint Stock Companies in the Commercial Companies. At the meetings to be held over the system which has been set up under the above mentioned provisions of the Communiqué or over the system by which a supporting service to be procured, it is ensured that right holders/share holder may exercise their rights as specified in the applicable ordinance within the framework as set forth in the Provisions of the Communiqué.

Remunerations of Members of the Board of Director:

Article 22- Monthly salary, bonus, attendance fee and/or dividend from/share out of annual profit to be determined and designated by the General Assembly shall be paid to members/directors of the Board of Directors.

General Director

Article 23- The Board of Directors appoints a member from amongst the directors who is qualified as the General Director according to the Law of Banking. The Board of Directors may assign some and whole of its powers to the General Director under the terms and conditions and limits to be specified by it. The General Director ensures effective and healthy carrying out and execution and coordination of activities and businesses of the Bank in addition to his duties and tasks prescribed by the Law of Banking and the applicable ordinances as well as all administrative affairs and works of the Bank.

Committees

Article 24- Committees created by the Bank pursuant to the Turkish Code of Commerce, Banking Law as well as applicable other provisions are in the form of Credit/Loan Committee, Supervision/Auditing Committee, Corporate Governance/Management Committee and Remuneration/charging Committee. When it deems necessary and when it becomes necessary the Bank's Board of Directors shall have the power to establish other committees.

Credit/Loan Committee

Article 25- A Credit/Loan Committee composed of the General Manager (CEO) of the Bank and at least two members to be elected among members with qualifications (except terms/time) sought in the General Manager (CEO) may be created in order to execute duties to be assigned by the Board of Directors in relation with the Credits/Loans. Two alternate (substitute) members to be appointed in place of any member of the Loan Committee who could not attend any one of the meetings shall be elected among members of the Board of Directors having the qualifications, except office terms, sought for the General Director/Manager (CEO).

25.1- The Loan Committee makes decisions on the issues of restructuring such as new allocation, extension of validity period, increment, alterations in conditions, interest cut, etc. in connection with loans remaining within its limits under the authorizations granted by the Board of Directors. The Committee sets forth terms and conditions on the loans required to be observed.

25.2- The Credit/Loan Committee, with attendance of all members, convenes with the agenda which has been designated and sent to all members by the General Director/Manager. Decisions made by unanimous vote by the Credit/Loan Committee are enforced directly, and decisions made by majority vote are enter into force and effect upon their ratification and approval by the Board of Directors.

25.3- Decisions of the Credit/Loan Committee are entered in the Resolutions Ledger. Resolutions Ledger of the Credit/Loan Committee shall be kept in accordance with the principles and procedures to which the Resolutions Ledger of the Board of Directors is subjected.

Supervision/Auditing Committee:

Article 26 – In order to assist in performance of auditing and supervision activities by the Board of Directors, at least two members of the Board of Directors who did not have executive task and whose qualifications are determined by the Banking Regulatory and Supervisory Authority are assigned by the Board of Directors to create an Auditing Committee.

Corporate Governance/Management Committee

Article 27.1 – The Corporate Governance Committee shall be determined and publicly announced by the Board of Directors.

27.2- The main task of the Committee is to monitor the Bank’s compatibility with the principles of the Corporate Governance/Management, to perform and execute improvement studies on this matter and to submit proposals and suggestions to the Board of Directors.

Remuneration/Charging Committee

Article 28.1 – The Bank sets up a Remuneration Committee consisting of 2 members.

28.2- The Committee monitors and audits the remuneration applications for and on behalf of the Board of Directors. Furthermore, the Committee performs the duties as laid down in the provisions of “The Regulation on the Banks’ Corporate Governance Principles” promulgated by the Banking Regulatory and Supervisory Authority.

***PART FOUR
AUDITING AND AUDITORS***

Auditing and Independent Auditing Agency:

Article 29.1 – The Bank, within the framework of the applicable Laws, the Decree on Determination of Companies to be subjected to the Independent Auditing and Rules and Procedures as specified by the Public Supervision, Accounting and Auditing Standards Authority and/or the Banking Regulatory and Supervisory Authority, selects its Independent Auditing Agency, subjects its accounts of activity, financial statements and Annual Activity Report of the Board of Directors to independent auditing, submits its independently audited previous year’s end financial statements and the Annual Activity Report of the Board of Directors to the General Assembly, announces its independent auditing reports at the specified time and at the specified places.

29.2- Action shall be taken in accordance with the provisions of the Laws and/or the provisions of the arrangements promulgated by the Authorities as specified in the above subparagraph (Art. 29.1) in case of selecting an independent auditing agency, removing it from office, cancellation of its contracts, and in case of their refraining from providing unfavorable opinion or view in the independent auditing reports as well as in case of disagreements and dissidences that may occur between the Bank and the Independent Auditing Agency.

The Board of Auditors

Article 30.1- The General Assembly elects two real persons among those holding university degrees with minimum 10 year experience in the field of banking, economy, law, accounting or financial affairs as auditors for the Board of Auditing, in order to work on matters other than independent auditor and the auditing activity as arranged in Article 397 and following Articles thereof of TTK (Turkish Code of Commerce) and to submit its annual auditing report to the General Assembly (for information purpose).

30.2- Term of office of the members of the Board of Auditors shall be 3 years. In case of vacancy of one membership, the other member of the Board of Auditors elects temporarily anybody who is eligible for this office in order to submit same to the first General Assembly’s approval. The General Assembly, if it is found appropriate and necessary, may remove members of the Board of Auditors from their office. Reelection of members of the Board of Auditors whose terms of office expired is possible. Remunerations of members of the Board of Auditors are determined by the General Assembly and paid by the Bank.

30.3- Auditors may be present at meetings of the General Assembly on condition that they should not join discussions and should not cast vote.

PART FIVE
ACCOUNTS AND DIVIDEND DISTRIBUTION

Accounting Period:

Article 31- Accounting period of the Bank shall begin on the first day of the month of January and end on the last day of the month of December of every year.

Balance Sheet and Profit and Loss Table, Reports of the Board of Directors and Auditors:

Article 32- The Bank keeps and publishes its annual balance sheets and profit and loss tables and sends them to the competent authorities in accordance with the rules and principles as specified aid down as per Turkish Code of Commerce, Banking Law and provisions of other related ordinances. The balance sheet, profit/Loss Table, Reports of the Board of Directors and Auditors certified by independent auditing body shall be made ready for examination and review by shareholders fifteen days before the date of the General Assembly Meeting.

Computation, Allocation and Distribution of the Net Profit of the Current Year:

Article 33.1- After deduction of all sorts of costs, collaterals, expenditures and taxes of the Bank from incomes earned within an accounting period, the balance shall be the Bank's net profit of the current year.

From this net profit of the current year;

33.1.1- Five percent (5%) shall be set aside as legally prescribed general reserve fund,

33.1.2- Five percent (5%) from the balance shall be set aside for the shareholders as the first dividend over the paid-up portion capital.

33.1.3- From the remaining portion of the profit;

33.1.3.1- Subject to approval by the General Assembly and likewise provided that rate (percentage) and amount is to be determined by the General Assembly, the portion may be distributed to directors of the Board of Directors and to personnel of the Bank up to the amount which should not exceed threefold of their gross salaries.

33.1.3.2- A certain amount of the profit to be designated by the General Assembly however shall be reserved as "the second dividend share" so as to be distributed to the shareholders.

33.1.4- Ten percent (10%) portion of total amount of profit to be distributed pursuant to Articles 33.1.3.1 and 33.1.3.2 shall be set aside as reserve funds pursuant to subparagraph c of paragraph 2 of Article 519 of the Turkish Code of Commerce after payment of profit margin at the rate of five percent to the shareholders.

33.1.5- The remaining sum of net profit shall be set aside as reserve funds.

33.2- On which date and in which amount the annual dividend shares are to be payable shall be determined by the General Assembly upon proposal of the Board of Directors.

33.3- Dividends distributed as per provisions of the present Articles of Association shall be irrevocable. The provision of Article 512 of the Turkish Code of Commerce is reserved.

33.4- If the sum of reserve funds falls short of making up the capital due to loss of the Bank, dividends of profit shall not be distributed to shareholders until the amount of loss so suffered has been fully refunded.

PART SIX
DISSOLUTION, LIQUIDATION, MERGER OR TRANSFER OF THE BANK

Dissolution or Liquidation of the Bank:

Article 34- If voluntary dissolution and liquidation of the Bank becomes necessary for whatever reason except bankruptcy, the General Assembly shall be invited to an extraordinary meeting and thus after resolution which is to be taken by the General Assembly thereon, formalities and transaction pertaining to the liquidation of the bank shall be carried out by the Board of Directors under the Resolution to be made by the General Assembly in accordance with provisions of the Banking Law No. 5411 and the Turkish Code of Commerce.

Merger and Transfer

Article 35- Merger or transfer of the Bank shall be resolved by the General Assembly. Merger or transfer proceedings shall be performed pursuant to the Banking Law, the Turkish Code of Commerce and provisions of the applicable legislations, reserving provisions of the Law No. 4603 and 4684.

PART SEVEN
PROVISIONS RELATED WITH THE PERSONNEL

Personnel's Performance of Duty

Article 36- Regardless of the legal basis of the appointment of the Bank's personnel, they shall be under the obligation to act and behave in conformity with the requirements of the Contemporary Banking and International Competition, and the Restructuring rules and purposes while performing their duties.

Provisions of the Private Law

Article 37- Members of the Board of Directors and the Personnel being subjected to the provisions of the Private Law shall be subject to provisions of the Private Law in respect to their financial liabilities arising from their duties and activities.

PART EIGHT
MISCELLANEOUS PROVISIONS

Announcements

Article 38- Announcements pertaining to the Bank shall be made in accordance with provisions of the applicable ordinances.

Legal Provisions

Article 39- In all matters not specifically dealt with in the present Articles of Association applicable provisions of the Law No. 4603, the Banking Law, the Turkish Code of Commerce and other legislations shall prevail.

PART NINE
PROVISORY ARTICLES

Provisory Article 1- Until the sum of public shares drops below the rate of fifty percent (50%) activities of the Bank to provide agricultural loans shall continue provided that their interest rates should not remain below the Bank's resource cost.

Utilization of the Right to Recourse

Provisory Article 2.1- Filing a suit of recourse (recovery) against directors of the Board of Directors and Members of the Board of Auditors who are employed in jobs and operations regarding restructuring process, pursuant to provisions of the Law No. 4603 respecting "T.C. Ziraat Bankası A.Ş.", "T. Halk Bankası A.Ş.", "T. Emlak Bankası A.Ş." and the Law no. 4684 on Making Amendments to certain Laws and Statutory Law, is possible only with the presence of act of default and failure.

2.2- In order that a lawsuit can be filed against duties and jobs of these persons, it is a must that there is a finalized criminal or civil court writ, and additionally there must be a resolution of the General Assembly which has been taken and become finalized allowing that a lawsuit is to be initiated in the same line.

