

**MINUTES OF THE ORDINARY GENERAL ASSEMBLY  
OF KUWAIT TURKISH PARTICIPATION BANK INC. DATED 31/03/2015**

Ordinary General Assembly of Kuwait Turkish Participation Bank Inc. was held on 31/03/2015, at 15:00 o'clock at Büyükdere Cad. 129/1 Esentepe-Şişli/İSTANBUL in meeting room of Head Office with the participation of Mr. Hasan Hüseyin Çakmak and Mr. Mükremin Uzunboy who were designated by Ministry of Customs and Trade Istanbul Office as representatives with the letter dated 27/03/2015 and Nr: 6911167

Public announcement regarding the Assembly had been published and announced in Turkish Trade Registry Gazette dated 12/03/2015, issue Nr: 8777 and in Dünya Gazette dated 10/03/2015 pursuant to laws and regulation. Moreover shareholders had been called for the Assembly via registered letter, which has been posted on 11/03/2014 from Post Office of Mecidiyeköy. It was clearly understood that out of 2,290,000,000 total shares of the Company representing the paid-up capital of 2,290,000,000 TL, 1.614.800 shares had been represented by the principal persons and 2.266.488.137 shares by the legal representatives, totaling 2,268,102,937. The legally required majority was present and therefore with the presence of Ministry of Trade representative the opening of the Assembly was declared legally. The meeting had been opened by Mr. Ufuk UYAN, CEO and member of Board to discuss the agenda.

In accordance with first article of the agenda, Mr. Ufuk UYAN started election of Chairman of the Presidency Council in order to form Presidency Council. Suggestions were collected, one of our shareholders named Mr. Ali AKAY was suggested Mr. Ö. Asım ÖZGÖZÜKARA and there was no any other suggestion. Therefore, suggestion was voted.

**In Compliance with the First Article of the Agenda**

Mr. Ö. Asım ÖZGÖZÜKARA was elected as the Chairman of the Presidency Council unanimously. Pursuant to related article of Incorporation, to form the presidency council, the Chairman of the Presidency Council, chose Mr. Ahmet KARACA and Mr. İbrahim POLAT as voting officers, and Mr. Bekir HALAÇOĞLU as secretary. Members of the presidency council submitted to the General Assembly's approval and approved unanimously / by majority.

Member of the Board and General Manager Mr. Ufuk UYAN seated the Members of the Presidency Council, started the meeting and after expressing his best wishes he declared that he has left the management of meeting to the Presidency Council.

It has been witnessed that the Mr. Ufuk UYAN and Mr. Fawaz KH E ALSALEH as members of the Board and Miss. Ebru EROĞLU as independent audit firm representative attended the meeting.

The Chairman of the Presidency Council expressed his best wishes and started the discussions on the articles of agenda.

**In Compliance with the Second Article of the Agenda**

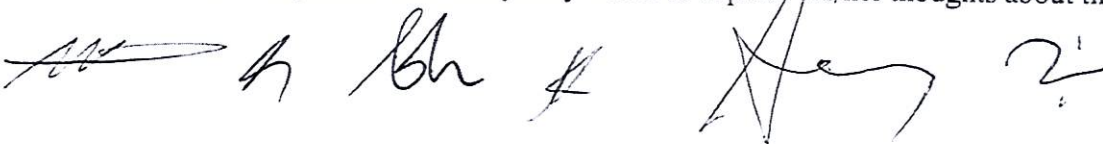
It had been unanimously resolved to give authority to the Presidency Council to sign the minutes of the Assembly on behalf of the Shareholders.

**In Compliance with the Third Article of the Agenda**

Annual Report of 2014 has been read by Mr. Ufuk UYAN, Board Member and CEO. After that the Annual Report had been submitted to the General Assembly's approval and had been approved unanimously.

**In Compliance with the Fourth Article of the Agenda**

Financial Statements of 2014 had been read and explained to the Assembly by Mr. Ahmet Karaca. The chairman explained that if anybody wants to express his/her thoughts about the previous article



and this article of agenda he/she can do it now. Amongst the attendees the representative of Islamic Development Bank (IDB) Mr. Tarik took the floor and said “ I am very pleased. I would like to congratulate especially the CEO and his team. Compared to last year’s increase even though increase in equity is little bit low but increase in asset size very good. Rewards taken from the foreign agencies also praiseworthy. I wish growth in Bank’s financial strength will continue. We all know the problems in the financial market in 2014, after all this growth is excellent. I see that the increase in staff cost has slowed down and it is under control this is also a good news. I thank the management for this. It is pleasing that the issues that we have been raising over the years, as IDB, are taken into consideration by the management. I believe this Institution will come to better positions in the international level.”

There were no other comments. The issue had been submitted to the General Assembly’s approval and approved unanimously.

#### **In Compliance with the Fifth Article of the Agenda**

Independent auditor’s opinion had been read by Ms Ebru EROĞLU, and negotiated and approved by the General Assembly unanimously.

#### **In Compliance with the Sixth Article of the Agenda**

After resigning of Chairman of the Board Mr. Mohammad S.A.I ALOMAR, Mr. Hamad Abdulmohsen AL MARZOUQ, who was appointed as a board member in accordance with the decision that made on the meeting held on 25/06/2014, in order to fulfill the resigned member’s duties and responsibilities, was offered as member of the Board of Director’s according to The Articles of Association’s 31th article’s fifth paragraph. This decision of the Board had been submitted to the approval of the General Assembly and approved unanimously.

#### **In Compliance with the Seventh Article of the Agenda**

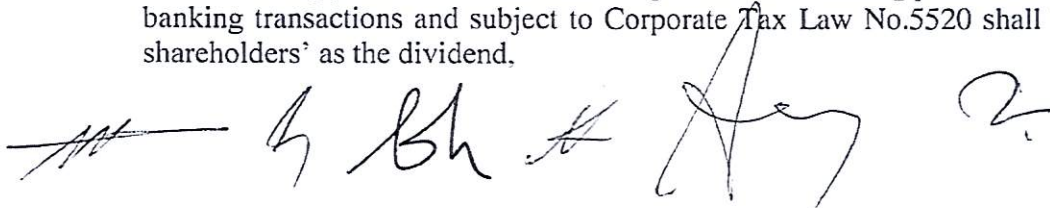
The services of the Board Members has been negotiated. The Members of Board of Directors was separately acquitted by the General Assembly for their services in 2014 unanimously. The Board Members did not vote for their own acquittal.

#### **In Compliance with the Eighth Article of the Agenda**

In accordance with the Board of Directors’ proposal, the following profit appropriation for 2014 had been submitted to the approval of the General Assembly, and approved unanimously.

After deducting the financial obligations from the profit of the year 2014, out of the remaining TL 370,449,524:

1. In accordance with the article 49/1-1 of the Articles of Association that is effective during the accounting period 5 % of the profit TL 18,522,476.- shall be appropriated as the 1st Legal Reserves,
2. TL 127,160.- which is provided in compliance with the 3th Article of the Law Nr. 5746 about the Support of Research and Development Activities will be forwarded to other reserves and then will be used in capital increase as the retained earnings. Against this capital increase shareholders will be given bonus shares in proportion to their shares.
3. In accordance with 5th article of Corporate Tax Law nr.5520 TL 36,507,356.-, profit from sale of real estates, shall be appropriate as “Other Reserve”, not to be distributed to the shareholders,
4. In accordance with the Article 49/1-2 of the Articles of Association that is effective during the accounting period ; TL 36,000,000.- portion of remaining profit that is accrued from the banking transactions and subject to Corporate Tax Law No.5520 shall be paid in cash to shareholders’ as the dividend.



5. In accordance with the Article 49/1-3 of the Articles of Association that is effective during the accounting period ; TL 2,959,059.- portion of remaining profit that is accrued from the banking transactions and subject to Corporate Tax Law shall be paid to the Board Members as the dividend, as it stated below;  
TL 431,529 TL to the chairman of the board, TL 369,882 to the vice president and TL 308,235 to each member of the board of directors.
6. In accordance with the Article 49/1-3 of the Articles of Association that is effective during the accounting period ; TL 239,872,840.- portion of remaining profit shall not be distributed to the shareholders; shall be forwarded to other reserves and then will be used in capital increase as the retained earnings.and against this capital increase shareholders shall be given bonus shares in proportion to their shares
7. TL 3,895,906.- shall be appropriated as the 2nd Legal Reserves in accordance with the Article 49/2 of the Articles of Association that is effective during the accounting period ,
8. In accordance with the Article 49/1-3 of the Articles of Association that is effective during the accounting period, TL 32,564,727.- portion of remaining profit shall be appropriated as "Extraordinary Reserves".
9. The dividend which arise from the acquisition of the Bank's own shares shall be appropriated as "Extraordinary Reserves".

**In Compliance with the Ninth Article of Agenda**

Based on the preliminary permission dated 09 March 2015, Nr. 67300147/431.02- of Ministry of Customs and Trade-Internal Trading General Directorate following the approval of Banking Regulatory and Supervisory Board dated 03 March 2015, Nr.20008792.101.01.04[93]-3525 and dated 25 March 2015 and Nr. 20008792-101.01.04[93]-E.4881, The change in 7<sup>th</sup> article which concludes, the Bank's raise its nominal capital from TL 2.290.000.000.- to TL 2.530.000.000.- was discussed and amendments to the 10<sup>th</sup>, 31<sup>th</sup>, 37<sup>th</sup> articles of the Articles of Incorporation were approved unanimously as submitted below:

| <u>OLD TEXT</u>   | <u>NEW TEXT</u>   |
|---|---|
| <u>SHARE CAPITAL</u>  | <u>CAPITAL and SHARES</u>   |
| <u>ARTICLE 7</u>  | <u>ARTICLE 7</u>  |
| The capital of the company is TRY 2,290,000,000.- (Two billion two hundred and ninety million Turkish Lira) which is divided into 2,290,000,000 (Two billion two hundred and ninety million) shares with par value of TRY 1 (One Turkish Lira). The shares are issued in the name of the shareholders.  | The capital of the Bank is TL 2,530,000,000 (Two billion five hundred and thirty million Turkish Lira) which is divided into TL 2,530,000,000 (Two billion five hundred and thirty million) shares each with a nominal value of TL 1. The shares are issued in the name of the shareholders.  |
| Out of TRY 2,290,000,000.- (Two billion two hundred and ninety million Turkish Lira) capital;   | Out of TL 2,530,000,000 (Two billion five hundred and thirty million Turkish Lira) capital;   |
| a)The amount of TRY 229,093,266.- (Two Hundred Twenty Nine Million Ninety Three Thousand and Two Hundred Sixtysix Turkish Liras) of the increased amount TRY 230,000,000.- (Two Hundred and Thirty Million Turkish Lira) will be paid in full from the retained earnings of 2013 in compliance with Turkish Commercial Code no.456/1 Against this capital increase shareholders will be given bonus shares in proportion to their shares. The added capital amount of TRY 521,628 (Five Hundred Twenty One Thousand and Six Hundred Twenty Eight Turkish Liras) as the retained earnings, | a) TL 2,290,000,000 (Two billion two hundred and ninety million Turkish Liras) is paid fully.<br><br>b) The TL 239.872.840 ( Two Hundred and Thirty Nine Million Eight Hundred Seventy Two Thousand Eight Hundred Forty Turkish Lira) of the increased amount of TL 240.000.000 (increasing capital) (Two Hundred Forty Million Turkish Liras) is provided in full from the retained earnings of 2014 (fully from internal resources). Against this capital increase shareholders will be given bonus shares in proportion to their shares. |

placed inside the term's profit made in 2013 within the law no 5746 will be forwarded to other reserves in 2014, has been provided from internal resources and related shares will be given bonus shares in proportion to shareholders shares pursuant to article 456/1 of Turkish Commercial Code.

The added capital amount of TRY 385.106 (Three Hundered Eighty Five Thousand and One Hundered Six Turkish Liras) made in 2012 within the law no 5746 which is places in resources and reserves has been provided from internal resources and related shares will be given bonus shares in proportion to shareholders shares pursuant to article 456/1 of Turkish Commercial Code.

Out of the previously subscribed capital of TRY 2,060,000,000.- (Two billion sixty million Turkish Lira)'s TRY 1,700,000,000.- (One Billion and Seven Hundred Million Turkish Lira) has been fully paid-up. The increased amount through "the capital commitment" of TRY 360,000,000.- (Three hundred sixty thousand million Turkish Lira) will be fully paid in cash, not later than fifteen months after the registration of this decision (10/06/2013) in accordance with the General Assembly's related decision dated 2013.

The added capital of TL 127,160 (One Hundred Twenty Seven Thousands And One Hundred Sixty Turkish Liras) is provided from the profit of Bank earned within the scope of the Law no 5746 and transferred to the other reserves (fully from the internal resources) in 2014. Against this capital increase shareholders will be given bonus shares in proportion to their shares.

| OLD TEXT  | NEW TEXT  |
|---|---|
| <p><b>PART TWO</b></p>  | <p><b>PART TWO</b></p>  |
| <p><b>SHARE CAPITAL AND SHARES</b></p>  | <p><b>SHARE CAPITAL AND SHARES</b></p>  |
| <p><b>TRANSFER OF SHARES</b></p>  | <p><b>TRANSFER OF SHARES</b></p>  |
| <p><b><u>ARTICLE 10</u></b></p>   | <p><b><u>ARTICLE 10</u></b></p>   |
| <p>On condition that the provisions of Turkish Commercial Code, Banking Law and the other related regulations shall be reserved; the transfer of shares is subject to the acceptance of such transfer by the Board of Directors. The Board of Directors could refuse the request of the transfer of shares;</p> | <p>Registered share certificates can be transferred in accordance with Banking Law, Turkish Commercial Code, Capital Market Law and other related legislation without need to acceptance of the Board of Directors.</p>   |
| <p>(a) By offering the real value of the shares to the transferor to transfer the shares to themselves, other shareholders or third parties,</p>  | <p>Delivery from transferor to transferee of a share certificate for which the transfer of share is endorsed and registration thereof in share register shall bind the Bank.</p>  |
| <p>(b) In the existence of a rightful reason in terms of economic independence or area of activity of the Bank,</p>   | <p>Unless it is proven that a registered share certificate was transferred in accordance with the above note, the transferee may not be entered in the share register. Only the person registered in the share register is a shareholder against the Bank. Legal provisions on share certificates transferred through inheritance are reserved.</p> |
| <p>(c) Provided that the shares are transferred because of inheritance, sharing the inherited, matrimonial regime between husband and wife or acquisition by compulsory execution, in the case that the Bank offers to acquiring person only the real value of the shares for transfer of shares</p>            | <p>The Bank shall keep a share register showing the names and addresses and shares owned by shareholders. The Bank assumes the person who is registered in the share register as the legal shareholder.</p>   |
| <p>Delivery from transferor to transferee of a share certificate for which the transfer of share is endorsed and approval of such transfer by the Board of Directors and registration thereof in share register shall bind the Bank.</p>  |   |

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The Bank shall keep a share register showing the names and addresses and shares owned by shareholders.

Articles 491 and 501 of Turkish Commercial Code shall apply to partially paid shares, administration of wife-husband properties, shares owned by deceased persons and forced execution.

The Bank may not become assignee for or accept as pledge its own share certificates, save exceptions as specified in Articles 382, 384, 385, 389 of Turkish Commercial Code. However, the Bank could acquire and held in pledge 1/10th or less than 1/10th of its own registered or issued shares controversial only if the necessary specifications and respects limitations and conditions in article 379 of Turkish Commercial Code and other related regulations is fulfilled.

## THE BOARD OF DIRECTORS

### ARTICLE 31

The board of directors shall consist of minimum seven members elected by the shareholders from among the shareholders at the general assembly of shareholders. General Manager and Deputy General Manager (when there is no appointed General Manager) are natural members of the board of directors.

The members shall elect a chairman and at least a deputy chairman for each year or for the duty term if there is not tenure in the decision. Deputy chairman is stand in for the Chairman when the Chairman is absent.

The members of the board of directors shall hold office for maximum three years. Those whose terms have expired may be re-elected.

Those members to be appointed to the Board of Directors shall have to meet the minimal requirements determined by the provisions of the Banking Law and the related regulations.

The posts of General Manager and Chairman of Board of Directors cannot be held by the same person.

After their appointment, the Board Members shall have to take an oath in accordance with the provisions of the related regulations and they shall also have to submit a declaration of their properties.

Should an office of a Director be vacated for any reason whatsoever, the rest of the Directors shall appoint a

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|---|---|
| <p>shareholder as Director to serve for the remaining term, and this appointment shall be subject to the approval of the next Assembly of Shareholders.</p> <p>General Assembly of Shareholders may at any time resolve to remove a Director. Such removals shall not give removed any right of indemnification.</p> <p><b>MEETINGS OF THE BOARD OF DIRECTORS</b></p> <p><b><u>ARTICLE 37</u></b></p> <p>The Board of Directors shall meet as the affairs of Bank may require or upon the invitation of the Chairman or the General Manager. Each Director may ask the Chairman in writing to convene a Board meeting. The Board is required to hold at least four meetings in a fiscal year. The meetings can be held physically as well as in the electronic environment in a way all or a part of the members can participate as per article 1527 of Turkish Code of Commerce. The meetings of the Board of Directors shall be held at Bank headquarters. However, the Board may convene at another place and/or country upon the approval of the majority of Directors.</p> | <p>Director to serve for the remaining term, and this appointment shall be subject to the approval of the next Assembly of Shareholders.</p> <p>General Assembly of Shareholders may at any time resolve to remove a Director.</p> <p><b>MEETINGS OF THE BOARD OF DIRECTORS</b></p> <p><b><u>ARTICLE 37</u></b></p> <p>The Board of Directors shall meet as the affairs of Bank may require or upon the invitation of the Chairman or the General Manager. Each Director may ask the Chairman in writing to convene a Board meeting. The Board is required to hold at one time in every quarter and at least six meetings in a fiscal year. The meetings can be held physically as well as in the electronic environment in a way all or a part of the members can participate as per article 1527 of Turkish Code of Commerce. The meetings of the Board of Directors shall be held at Bank headquarters. However, the Board may convene at another place and/or country upon the approval of the majority of Directors.</p> |
|---|---|

**In Compliance with the Tenth Article of the Agenda**

The proposal, which have given for this article has opened for discussion and after the negotiation it has been approved unanimously that from now on The Chairman and Board Members should be paid yearly remuneration, in accordance with the Bank's remuneration policy, for their committee membership where they are appointed by the Board of Directors, against their extra work occurred as a result of their committee membership. All the payment types (attendance fee, indemnity, bonus or any other) shall be determined and made yearly and after the job completed.

**In accordance with Eleventh Article of Agenda;**

Regarding the election of the Board members; the list proposed by Mr. Ufuk UYAN and Mr. Ahmet Karaca, in accordance with the list formed from the list of nominees proposed by the shareholders, submitted to the General Assembly's approval. Amongst the names in the list the following nominees,

Mr. Hamad Abdulmohsen AL MARZOUQ,  
Mr. Abdullah TIVNİKLİ,  
Mr. Fawaz KH E ALSALEH,  
Mr. Ahmad S. AL KHARJI,  
Mr. Ufuk UYAN,  
Mr. Khaled N. ALFOUZAN,  
Mr. Mohammad MIDANI,  
Mr. Nadir ALPARSLAN and  
Mr. Adnan ERTEM

were elected for 3 (three) years as the members of Board of Directors unanimously.

**In accordance with Twelfth Article of Agenda;**

Regarding the selection of independent auditor; in accordance with the proposal of the Audit Committee with the decision dated 29/03/2015 and Nr. 178 to the Board and the Board's proposal

decided on dated 30/03/2015 with Nr 1622 to the General Assembly, selection of DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Deloitte& Touche ) as independent auditor in order to perform the independent auditing for the year 2015, according to the Turkish Commercial Law's 399. Article was approved unanimously.

**In accordance with Thirteenth Article of Agenda;**

In accordance with the related articles of Banking Law nr.5411, Mr. Ahmet KARACA has informed to General Assembly about the audit activities of the year 2014.

**In accordance with Fourteenth Article of Agenda;**

Mr. Ahmet KARACA informed the shareholders in detail about the amount, method of distribution and expending of the amount other than the paid in cash of personnel bonus provisions set aside from the profit of 2014 in accordance with the Bank's Compensation Committee's decision dated 28.01.2015, Nr. 3. and written statement of BRSA dated 23.02.2015, Nr. 20008792-101.02.01[93]-3591, regarding the profit distribution.

**In accordance with Fifteenth Article of Agenda;**

It has been unanimously resolved to approve reflecting participation accounts' portion of provision expenses, which set aside according to 14/2 article of Communiqué of "Principles and Procedures for the Determination of the Quality of Loans and Other Receivables and Reserves to be provided for these Loans" of BRSA, to the expense accounts. Turkish Commercial Code's related provisions reserved.

**In accordance with Sixteenth Article of Agenda;**

It has been unanimously resolved that the Board of Directors is permitted to execute any transactions mentioned in Article 395 and 396 of the Turkish Commercial Code.

**In accordance with Seventeenth Article of Agenda;**

Wishes listened.

Mr. İsmail Hakkı TUNÇ took the floor and asked "When the share certificates will be issued and delivered?" Mr. Ufuk Uyan answered the question saying "The share certificates are ready upon request they can be delivered"

Assembly has been closed since there was no other article left to be discussed in the Agenda.

Representatives of Ministry  
of Customs and Trade  
Hüseyin ÇAKMAK

Chairman of the  
Presidency Council  
Ö.Asım ÖZGÖZÜKARA

Mükremin UZUNBOY

Voting Office  
Ahmet KARACA

Voting Office  
İbrahim POLAT

Secretary  
Bekir HALAÇOĞLU