ARTICLES OF ASSOCIATION OF ALTEK ALARKO ELEKTRİK SANTRALLARI TESİS İŞLETME VE TİCARET ANONİM ŞİRKETİ

Section I

Foundation, Shareholders, Trade Name, Purpose and Scope, Headquarters, Duration

Foundation
Article 1

A joint stock company is founded by and between the founders whose names, addresses and nationalities written below to be managed in accordance with the provisions of the immediate establishment in Turkish Commercial Code and with these articles of association.

Shareholders
Article 2

The Turkish citizen founder shareholders' names and addresses that signed these articles of association are shown below:

1. Alarko Holding A.Ş., Turkish, Necatibey Cad. No.84 Karaköy/İstanbul
2. Anmak Holding A.Ş., Turkish, Büyükdere Cad. Maslak Meydanı No.41 Ayazağa/ İstanbul.
3. Alsim Alarko Sanayi Tesisleri ve Ticaret A.Ş., Turkish, Necatibey Cad. No.84Karaköy/İstanbul
4. Alarko Sanayi ve Ticaret A.Ş., Turkish, Necatibey Cad. No.84 Karaköy/İstanbul
5. Alarko Fenni Malzeme Satış ve İmalat A.Ş., Turkish, Necatibey Cad. No.84 Karaköy/İstanbul

Trade Name
Article 3

The trade name of the Company is "*Altek Alarko Elektrik Santralları Tesis İşletme ve Ticaret Anonim Şirketi*".

Foundation Purpose
Article 4

Subject to the exportation and importation legislation and any other relevant legislation, the Company is established to build and operate thermique and hydro electric power plants, to takeover the construction of energy facilities, to sell produced energy, to purchase raw material and to provide energy raw material from a trustworthy source.

In relation to its abovementioned purpose, the Company may:

4.1 Build or have built, operate and/or have operated, rent, purchase, participate in existing or future energy production facilities, energy transfer lines, and transformer stations in accordance with the applicable laws.

4.2 Build or have built any kind of premises to produce and to trade electrical energy, to realize or to have realized all kinds of relative research, projects and consultancy services.

4.3 Sell the energy produced in the purchased or built power plant in accordance with the applicable laws and regulations.

4.4 Search or have searched coal or other energy resources, purchase or lease the present resources' operating rights, operate and/or have operated coal lands or other resources and make investments in this respect.

4.5 The Company takes the prices of Turkish Electricity Authority or relevant authorities as samples during the determination of the price for energy raw material to be used for each electricity operation plant build by the Company.

4.6 Build or have built premises in order to produce or have produced any kind of machine, equipment, apparatus that will be used to produce the electrical energy.

4.7 Acquire or transfer wholly or partially patents, license, permission, and concession and conclude know-how agreements related with the purposes of the Company, cooperate with foreign investment in this respect.

4.8 Establish any kind of joint ventures relative to its subject with domestic or foreign partners as real or legal entities or participate in established companies or companies in the status of establishment.

4.9 Obtain credits relative to its objects from inner or outer resources with pledge or with another kind of guarantee or without guarantee; provide the necessary guarantees for the credits obtained by third persons while complying with the mandatory explanations required by the Capital Market Board, take or give any kind of real or personal guarantee for the collection or cancellation of its claims and rights, forward claims of registration or cancellation before the land registry office.

4.10 Involve in any kind of financial, commercial and administrative disposition. Attend bids and engagements in Turkey and abroad within the scope of its foundation purpose; if necessary follow these activities on behalf of third persons while complying with the mandatory explanations required by the Capital Market Board.

4.11 The Company may acquire any kind of securities related to the Purpose, manage, rent, construct buildings; and buy real properties provided to transfer to the Treasury.

4.12 The Company is authorized to involve in all kinds of financial and administrative dispositions and activities within the boundaries of its field of activity.

4.13 Export or import, have imported or exported by other foundations any material relevant with its activities.

4.14 In order to realize the foundation purpose of the Company, the shareholders act in cooperation within each other and towards the Company.

4.15 Buying or selling from official and private companies and institutions at the Istanbul Stock Market and outside this Market any kind of financial instrument (except shares) such as bonds or promissory notes, excluding any intermediary activities and portfolio management.

Headquarters and Branches
Article 5

The Company's headquarters is located in Muallim Naci Cad: No: 2/2 No 113-115 Ortaköy/İSTANBUL. In compliance with the Turkish Code of Commerce, the Company, through a Board's decision, may establish branches and representation offices within and out of Turkey by notifying the Ministry of Industry and Commerce as well as the Capital Market Board.

In case of a change in the address, the new address shall be published at the Turkish Commercial Registry Gazette, the Ministry of Industry and Commerce as well as the Capital Market Board shall be relatively informed. The notifications sent to the registered and the published address shall be considered to be sent to the company. In case the company changes the registered and the published address without registering the new address, this will be considered as a cause of dissolution.

Duration
Article 6

The Company is incorporated for an unlimited period of time.

Section II:

Company's capital, structure, distribution
Article 7

The capital of the Company is TL.2,000,000,000,000.- divided into 2,000,000,000.- shares, each having a par value of TL.1,000.

The capital has been subscribed by the shareholders totally and in cash, without any simulation.

Kind of Share Certificates, Share Classes, Their Issue
Article 8

1,600,000,000 share certificates out of 2,000,000,000 share certificates issued with a par nominal value of TL.1,000.- are written to the name and 400,000,000.- of them are written to the bearer. The 2,000,000,000 share certificates are divided into three class as (A), (B) and (C).

There are 800,000,000.- Class (A) share certificates which correspond to TL.800,000,000,000.- and written to the name.

There are 800,000,000.- Class (B) share certificates which correspond to TL.800,000,000,000.- and written to the name.

There are 400,000,000.- Class (C) share certificates which correspond to TL.400,000,000,000.- and written to the bearer

With a capital of TL.2.000.000.000.000.- the allocation of the shares is as follows:

Shareholders	Class	Registered/Bearer	N°shares
Alarko Holding A.S.	A	registered	737,479,240
Anmak Holding A.S.	A C	Registered Bearer	27,455,450 200,000,000
Alsim Alarko San. Tesisleri Tic. A.S.	A	Registered	29,664,810
Alarko Fenni Malz. Satis ve Imalat A.S.	A	Registered	1,865,500
Alarko Carrier San. Ve Tic. A.S.	A	Registered	3,535,000
SNET	B C	Registered Bearer	800,000,000 200,000,000

It is possible to issue shares of various classes in the future capital amendments.

If there will be an issue of Class A and B shares, they will be written to the name.

If there will be an issue of Class C shares or another class of shares, they will be written to the bearer and will bear no privilege. If these are planned to be written to the name, then it is subject to the special decision of the general assembly.

Moreover, the General Assembly shall be empowered to issue shares at a value superior to the nominal value and decide to limit or not the rights for the shareholders to buy the new shares.

The Company is empowered to merge the shares in compliance with the Capital Market Board's decisions in case of share certificates representing more than one share.

Indivisibility of the Share Certificates
Article 9

A share certificate cannot be divided into pieces against the Company. In case a share certificate belongs to more than one person, article 400 of the Turkish Commercial Code will be applied.

Capital Increase
Article 10

The capital may be increased with a decision of the General Assembly, provided however that such decision is adopted with the affirmative vote of A and B Class shareholders. The application of this decision is subject to the approval of the Ministry of Industry and Commerce as well as the approval of the Capital Market Board.

The capital increase can be realized with the participation of the shareholders to the increase, taking new shareholders within or without a public subscription, into the company or addition of extraordinary reserves, reevaluation funds, participations reevaluation funds, share certificates' issue premiums, manufacture increase fund, immovable sale profit fund, participation sale profit fund and other relevant funds.

In case it is decided in the General Assembly to increase the capital by addition of legal reserves, reevaluation funds, share certificates' issue premiums, manufacture increase fund, immovable sale profit fund, participation sale profit fund and other relevant funds, each shareholder has the right to have new issued shares in proportion to his shares in the company, free of charge.

In case the General Assembly decides to have a capital increase by issuing new share certificates, the present shareholders have the privilege to purchase new shares in proportion to their present shares. Concerning the preemptive rights, the General Assembly shall decide on the conditions of their exercise, the duration for exercising them and the way these rights shall be used.

In the case of an increase of capital, the remaining shares, subsequent to the exercise of the preemptive rights or in the case of a restriction to such exercise, shall be sold to the public at the market price, provided the price shall not fall below the nominal value.

Capital Decrease
Article 11

If needed, the capital can be decreased with the decision of the General Assembly in accordance with Turkish Commercial Code and the Capital Market Legislation, provided however that such decision is adopted with the affirmative vote of A and B Class shareholders. The General Assembly shall decide the procedure of decrease but the decrease shall be made on an equal basis for each share. The resolution and application of this decision is subject to the approval of Ministry of Industry and Commerce and to the approval of the Capital Market Board.

Following the relative transactions, the decrease is registered and published.

Issue of Bonds, Convertible Bonds, Profit Sharing Bond, Finance Bond, Profit Loss Partnership Certificate:
Article 12

In compliance with the Capital Market Legislation, circulars and others relevant laws, the Company may, with the decision of the General Assembly adopted with the affirmative vote of A and B Class shareholders, issue bonds, convertible bonds, profit sharing bonds, finance bonds, profit loss partnership certificates within Turkey or abroad to be sold to physical or moral persons in accordance with capital markets law and relevant legislations. The General Assembly may authorize the Board of Directors to determine the issue conditions.

Section III

Board of Directors- Composition, Appointments
Article 13

The Board of Directors shall be composed of six (6) members elected for up to two (2) years by the Shareholders of the Company as follows:

(i) Class A Shareholders, acting jointly, shall have the right to propose at the Shareholders Meeting nominees for three members of the Board of Directors.

(ii) Class B Shareholders, acting jointly, shall have the right to propose at the Shareholders Meeting nominees for the remaining three members of the Board of Directors.

The Chairman shall be appointed from among the directors of A Class Shareholders, while the Vice-Chairman shall be appointed from among B Class Shareholders.

Service Period of the Board of Directors Members
Article 14

The Board members (directors) shall be elected for a period of maximum two years. They may be re-elected on the expiry of the said period. The Board members may always be replaced by new ones in accordance with the provisions of the Turkish Commercial Code.

Guarantee given by the Members of the Board of Directors
Article 15

Pursuant to article 313 of the Turkish Code of Commerce, each Member of the Board of Directors shall deposit at the Company and in favor of the Company shares for a value of 10.000 TL.

Meeting of Board of Directors
Article 16

The Board of Directors shall meet at least once every quarter to address the Companies' management issues and decisions requiring its prior approval pursuant to Article 17 hereafter. Minutes of such meetings will be drawn up in Turkish language and signed by all members. English translations of the minutes of the meetings of the Board of Directors shall be made promptly after each meeting and kept as well in the minutes books.

The Board of Directors' meetings shall be validly held if at least half plus one of the members are present, of which at least one member shall have been nominated by Class A Shareholders and one member shall have been nominated by Class B Shareholders. All decisions shall be taken with the affirmative vote of at least four directors.

The Board of Directors shall meet whenever it is needed for the Company's work and operations. The Chairman shall summon the Board and establish the agenda of the meeting. In case the Chairman is absent, the Vice-Chairman shall be responsible with these duties. The Board shall meet at the headquarter of the Company or, if necessary, at any other location that shall be written in the invitation. Provisions of article 330 of the Turkish Commercial Code are reserved.

Competences of the Board of Directors

Article 17

The Board of Directors shall be competent for all matters not reserved to another corporate body pursuant to Turkish law and these Articles of Association.

The Board of Directors is competent to take the following decisions:

- Definition of the strategy and of the projects related to new energy projects;
- Make proposal for an IPO;
- Increase or decrease of the Company's capital, payment of the shares and issuance of shares;
- Drafting of proposal to be submitted to the General Assembly concerning the distribution of dividends;
- Execution of the agreements between the Company and the shareholders and other persons;
- Approval of the guarantees to be given by the Company;
- Appointment of the external auditors;
- Appointment and determination of the scope of competence of the General Manager and the Deputy General Manager in charge with Finance as well as the appointment of the other members of the staff (and the definition of their duties);
- Appointment of the Members of the Board in case of vacancy until approval by the nearest General Assembly;
- Approving in the name of the Company the purchase of movable and immovable goods, building of immovable properties, renting, constitution and suppression of mortgage and pledge on the Company's movable and immovable properties;
- Appointment of representative of the Company before judicial and administrative authorities for representation, arbitration, out-of-court agreement and discharge;
- Taking decision on constitution of partnerships, participation to existing partnerships, and decision to withdraw from such partnerships;
- Drafting of the annual work program and budget and the relevant modifications;
- Drafting of the balance sheet, the profit and loss statement as well as the activity report;
- Convocation of the General Assembly and establishment of the agenda;

- Any other issue let to the Board of Directors by the Turkish Code of Commerce.

In addition, the Board of Directors is competent with any issue, which does not require explicitly the decision of the General Assembly according to the law and to the articles of association.

Binding of the Company
Article 18

The Company is represented and managed by the Board of Directors. All documents and agreements representing and binding the Company must bear the signature of the two persons being managing directors as per article 20 hereunder and authorized by the Board of Directors, provided that these signatures are used together with the official seal of the Company.

It is understood that any signatory powers conferred upon such individuals shall require their joint signatures, including without limitation the signature of the *Finanstan Sorumlu Genel Müdür Muavini* on any financial commitments of the Company including, but without limitation, sale, pledge or acquisition of assets, granting any guarantees and comfort letters. Managing Directors will have the right to substitute nominees within the limit of their competencies.

Remuneration of Directors
Article 19

The decisions relative to the monthly remuneration of the directors will be taken by the general assembly.

Managing Directors
Article 20

20.1 The Board of Directors shall appoint 2 (two) managing directors, of which:

(i) the chief executive officer shall be the *genel müdür* of the Company and he/she shall be appointed from among the nominee(s) of the members of the Board nominated by Class A Shareholders.

(ii) the chief financial officer shall be the *Finanstan Sorumlu Genel Müdür Muavini* of the Company and he/she shall be appointed upon proposal of the nominee(s) of the members of the Board nominated by Class B Shareholders among persons from or outside the Board.

20.2 The managing directors shall be in charge of day-to-day management within the limits of the budgets and resolutions adopted by the Board of Directors and shall report on a regular basis to the Board of Directors. In particular, but without limitation, they shall report the execution of resolutions, plans, budget defined by the Board of Directors.

20.3 The respective competencies of the Managing Directors shall be determined in a resolution of the Board of Directors adopted in accordance with the principles set out in article 18 above.

Prohibited Transactions
Article 21

The Board of Directors members cannot involve in any transaction directly or indirectly with the Company and cannot realize any commercial transaction within the activity field of the company for themselves or on behalf of others and can not participate in a partnership operating in the same activity field of the company as an unlimited responsible partner. However, with these articles of association, this permission is granted to the first board of directors members, until the first general assembly.

Section IV

Statutory Auditors
Article 22

The General Assembly elects two auditors among the shareholders or among third parties for a period of maximum three years. One of these will be elected from among the nominees nominated by Class A Shareholders, the other one will be elected from among the nominees nominated by Class B Shareholders.

Moreover, pursuant to the Capital Market Law and the relevant legislation, the accounting and the operations of the Company may be controlled by independent external auditors firms.

Duties of the Statutory Auditors
Article 23

The Company's auditor is obliged to carry out his duties according to articles 353 and 357 of the Turkish Commercial Code.

Remuneration of Statutory Auditors
Article 24

The decisions relative to the remuneration of the auditors will be taken by the general assembly.

Section V

General Assembly
Article 25

General Assembly shall be convened ordinarily or extraordinarily. Ordinary General Assembly shall be convened within three months following the end of the fiscal year of the Company and shall meet at least once a year. During this meeting, the provisions of article 369 of the Turkish Commercial Code shall be examined and the necessary decision shall be resolved.

Extraordinary General Assembly may be convened whenever necessary subject to the requirements of running of the Company, in the frame of the Company's articles of association and decisions are taken accordingly. For information purposes only, English translations of the minutes of the meetings of the Shareholders Meeting shall be made promptly after each meeting and kept in the minutes books.

Meeting Place
Article 26

Upon a decision of the Board of Directors, the general Assembly may convene at the headquarters of the Company or in any other location within the province ("*il*").

Ministry representative
Article 27

The presence of a Government Representative in ordinary and extraordinary general assembly meetings is obligatory. It is also necessary that he sign all the documents relative to the general assembly. The resolutions taken in the absence of the Ministry Representative and meeting minutes, which do not bear his signature are considered as being invalid.

The Capital Market Board is notified of any General Assembly in accordance with the Capital Market Law and the relevant legislation.

Announcements belonging to the Company
Article 28

Company's announcements are announced at least 15 days prior to their effective date, in a newspaper published in the city in which the Company's main office is located and within the provisions of article 37 / 4th paragraph of the Turkish Commercial Code. The announcements related to the activities of the Company are performed in pursuance of the procedure and principles of the Turkish Code of Commerce, the Capital Market Law and the relevant legislation.

The other provisions of the Capital Market Legislation related to announcements and information are applicable.

Quorum and Majorities
Article 29

The Shareholders Meetings shall be validly held only if A Class Shareholders' and B Class Shareholders' representatives are validly present or represented. At any time, the resolutions to be adopted by the General Assembly shall be adopted at a qualified majority allowing both A Class Shareholders and B Class Shareholders to have a veto right.

Voting Rights
Article 30

Every shareholder or representative present in an Ordinary or Extra-ordinary General Meeting has one voting right for each share that it represented.

Representation in the General Assembly
Article 31

During general assembly meetings, shareholders can be represented by other shareholders or by mandatory chosen from thirds. The representatives chosen among shareholders are authorized to vote for themselves as well as for the represented shareholders by presentation of a power of attorney duly established within the frame of the Turkish Commercial Code. In case of a vote by proxy, the provisions of the Capital Market Board will be respected. The Board of Directors shall establish and publish the proxies in due form of the Capital Market Law and circulars.

Competences of the General Assembly
Article 32

a) Giving specific authorizations to the Board of Directors and defining the conditions thereof;

b) Accepting or refusing the Board's and auditor's reports, balance sheet, profit and loss balance or deciding through discussion their modifications, discharge the Board of Directors or deciding its guiltiness, deciding the way of distributing the profit, appointing the members of the Board and the auditors, deciding to dismiss them in case it sees necessary, appointing new members, determining Board Members' and auditors' remunerations.

c) Take decisions related to authorizations foreseen by article 334 and 335 of the Turkish Code of Commerce for members of the Board.

d) Take decisions related with the existing issues related to the management and the enforcement of the articles of association.

The above-mentioned competences are not exhaustive. The management of the business of the Company, the modification of the articles of association and other issues interesting directly or not the Company falls within the competences and the duties of the General Assembly in pursuance of the Capital Market Law and of the Turkish Code of Commerce.

Voting and Delay of the Meeting
Article 33

Voting is carried out by a show of hands. However, a poll may take place upon request of Shareholders present at the meeting, and representing not less than **20 %** of the share capital.

The discussions on the approval of the balance sheets in the General Assembly may be delayed for a month with the positive votes of the majority or at least with the demand of the shares representing 1/20 of the capital and in order for the demand to postpone it to another day to be valid in the second meeting, it is necessary that the requested explanation on the objected balance sheet should not be given. However the discussions cannot be delayed to a third meeting.

Transfer of Shares
Article 34

Upon listing of the Company, C Classp shareholders may freely transfer their shares without any restriction. Otherwise, shareholders shall be free to sell all and not less than all of their shares and provided that they comply with the provisions set forth below.

34.01 Pre-emption rights

The transfer by a shareholder (the "**Transferring Shareholder**") of all and not less than all of its shares shall be subject to the pre-emption right (the "**Pre-emption Right**") of the other Shareholders in the conditions set forth by this Article **34**, which Pre-emption Right shall be able to be exercised on all and not less than all of the shares proposed for transfer (the "**Subject Shares**").

For the avoidance of doubt:

- the Pre-emption Right shall be exercisable by the non-transferring Shareholder, notwithstanding the notification by the Transferring Shareholder of its intention to exercise its Tag-Along Right (as defined hereunder).

- the Pre-emption Right and Tag-Along Right are only vested (i) with B Class Shareholders in the event of a transfer of shares by any of the A and/or C Class Shareholders and (ii) with A Class Shareholders, in the event of a transfer of shares by B and/or C Class shareholders.

34.01.1 Notice of the Proposed Transfer

The Transferring Shareholder shall send the non-transferring Shareholder an unconditional (except for the compulsory approvals imposed by applicable law or stock exchange regulations which are capable of being met before a binding contract is signed) binding *bona fide* offer (the "**Transfer Notice**"). That unconditional binding offer shall be made on the same terms (including the price and the number of Shares) as the unconditional binding offer made by the contemplated buyer (the "**Transferee**") and shall include the description of the Subject Shares, the other terms of the Transfer in the event the Pre-emption Right is not exercised by the non-transferring Shareholder.

The Transferring Shareholder may, at its sole discretion, declare in the Transfer Notice that the Pre-Emption Right may only be exercised on all of the Subject Shares and that if the non-transferring shareholder does not wish to purchase all the Subject Shares, the Transferring Shareholder shall be free to sell all the Subject Shares to the Transferee.

Within thirty (30) Business Day from the receipt of a Transfer Notice, the non-transferring Shareholder shall notify the Transferring Shareholder of its decision:

(i) to purchase all of the Subject Shares,

(ii) to decline to purchase the Subject Shares,

(iii) to exercise its Tag-Along Right,

The conditions on which the Pre-emption Right shall be exercised will be those indicated in the Transfer Notice and the price shall be the one indicated in the binding offer plus a mandatory premium of 10% of such price, unless otherwise mutually agreed. In case the non-transferring Shareholder does not notify its intention within the above-mentioned time frame, it shall have the same consequence as a notification pursuant to (ii) above.

34.01.2 If the Transfer of the Subject Shares requires the compulsory approvals of regulatory office (such as *Rekabet Kurulu*, General Directorate for Foreign Investments), the Transferring Shareholder and the acquirer shall make their best efforts in order to be able to complete the Transfer in the shortest time possible.

34.01.3 In the event that the Pre-emption Right is not exercised within the time periods set forth in article 34.01.1, or certain regulatory approvals are not obtained within six (6) months from the Transfer Notice, the Transfer may be made to the proposed Transferee on the same conditions and at the same price as those set out in the Transfer Notice, without any further restriction, provided that such Transfer shall take place within two (2) weeks of the lapse of the period available for the exercise of the Pre-emption Right or the above mentioned 6-month period, failing which the Transfer of the Subject Shares shall be again subject to the provisions of this Article 34.

34.01.4 The Pre-emption Right shall not be vested with a non-transferring Shareholder in case the Transferring Shareholders transfers all of its shares to another company of its Group. It is understood that:

(i) "Group" means a Shareholder of the Company and any other company or person which holds directly more than 50 % of the shares or voting rights of a Shareholder of the Company or any company of which a Shareholder of the Company or the company above mentioned holds directly more than 50 % of the Shares or voting rights.

(ii) the Transferring Shareholder notifies the transfer to the non-transferring Shareholders with all appropriate official documents validly evidencing (if relevant) the Group company status, and

34.02 <u>Tag-Along Rights</u>

34.02.1 Where a Transferring Shareholder proposes to transfer all of its Shares to third parties and the other non-transferring Shareholders have not exercised their Pre-emption Right on such Shares, then the non-transferring Shareholders shall have the right (the "**Tag-Along Right**") to require in writing the Transferring Shareholder to procure that the proposed Transferee buys all of the Shares that are owned by the non-transferring Shareholders at the same time as the Transfer of the Shares of the Transferring Shareholder which are subject to the Transfer Notice,

In order for the non-transferring Shareholders to exercise their Tag-Along Right, it shall indicate in the notice sent pursuant to Section 34.01.1 their willingness to sell all of their Shares and to exercise the Tag-Along Right.

34.02.2 The Transfer of all Shares offered for sale by the non-transferring Shareholder after exercise of their Tag-Along Rights will be completed against the payment in cash of a price per share equal to that provided in the Transfer Notice.

Completion of the payment shall take place either:

(i) on the date the proposed Transfer provided in the Transfer Notice is completed, or

(ii) fifteen (15) days from the date on which the compulsory approvals imposed by applicable law or stock exchange regulations, which have not been capable as a matter of law of being met during the time available for the exercise of the Tag-Along Right pursuant to this Article 34.02 (which compulsory approvals shall be conditions precedent to the completion of the Tag-Along Rights), have been obtained.

34.03 Restrictions against further share acquisitions

Upon listing of the Company, the A and B Class Shareholders shall (i) not to purchase or acquire any Class-C Shares (if any) of the Company or any rights therein and (ii) not to enter, orally or in writing, into shareholders agreements and voting agreements with Class C Shareholders, whether directly or indirectly (including, without limitation through affiliates, subsidiaries, trustees, nominees or third parties whatsoever),

Amendment of the Articles of Association
Article 35

The amendments of the Articles of Association shall enter into force upon their announcement after approval of the Capital Market Board and of the Ministry of Industry and Commerce and registration in the Commercial Registry Office.

Documents to be sent to the Ministry of Industry and Commerce
Article 36

Two copies of the documents relating to the General Meeting, balance sheet, profit/loss statements, activity report of the Board of Directors, auditor's report, agenda of the meeting, attendance list, and minutes of meeting shall either be presented to the Ministry of Industry and Commerce of the Turkish Republic, or to its representative, within one month following the meeting.

Section VI

Annual Accounts and Reports
Fiscal Year
Article 37

The company's fiscal year starts from the first day of January and ends at the end of December. However, the first fiscal year of the company starts from the day of its official establishment and ends on the last day of December of that year.

Annual Reports
Article 38

The shareholders may apply to the headquarters of the company 15 days prior to general assembly meeting and may examine the profit loss account, balance sheets, board of directors' and auditors' reports.

Pursuant to the procedure and principles foreseen by the Board, the financial chart and reports foreseen by the Capital Market Board as well as, in case of, the report prepared by the independent audit must be sent to the Capital Market Board and announced to the public.

Distribution of Profits
Article 39

The annual net profits are obtained after deducting depreciation, salaries paid to managers, staff, employers, workers and payments made to individuals who are in relation with the Company, and all other general expenditures and charges. They shall be distributed as follows :

1. The tax payable by the Company is separated.
2. 5% is set aside for the legal reserve according to article 466 of Turkish Commercial Code.
3. An amount of the remainder, equal to 10% of the paid-up capital is allocated to the shareholders as "first dividend".
4. Subject to the decision of the General Meeting, the remainder shall either be distributed, totally or partially, to the shareholder or retained as legal reserve.
5. 10% of the sum allocated as "third dividend" is set aside as a general legal reserve according to article 466 paragraph 3 of the Turkish Commercial Code.

The dividend shall be distributed in the manner and on the date recommended by the General Assembly. However, until the listing of the Company, if the shareholders are not in agreement with the distribution of such dividend, at least 30 % of such distributable profit shall be distributed, unless otherwise agreed.

Legal Reserves
Article 40

Articles 466 and 467 of the Turkish Commercial Code shall be applied to the legal reserves set aside by the company. However, if the legal reserve is less than 20% of the capital, whatever the reason, it will continue to be reserved to reach that amount.

Dissolution And Liquidation
Article 41

The provisions of the Turkish Code of Commerce, of the Capital Market Law and any other relevant law will be applied for the Company's dissolution and liquidation and related dispositions.

The automatic termination of the Company and its liquidation are undertaken in accordance with the Capital Market Law and the Turkish Code of Commerce's provisions.

Conflict
Article 42

Any conflict concerning the business of the Company or any conflict between the Company and the Shareholders that may arise during the activity of the Company or during its liquidation shall fall between the scope of the competent courts of the headquarters of the Company according to the matter.

Provisions of the Law
Article 47

The provisions of the Turkish Commercial Code, of the Capital Market Law and any other legislation shall regulate all the issues not foreseen by the articles of association.

Section VII
Temporary articles

Temporary Article 1

The founding shareholders appointed as first Board members and until the first ordinary General Assembly İshak Alaton (as representative of Alarko Holding Anonim Şirketi), Üzeyir Garih (as representative of Anmak Holding Anonim Şirketi), Güner Koçel (as representative of Alsim Alarko Sanayi Tesisleri ve Ticaret Anonim Şirketi) and Tamer Atauz (as representative of Alarko Sanayi ve Ticaret Anonim Şirketi).

Temporary Article 2

The founding shareholders decided to appoint until the first ordinary General Assembly İshak Alaton, as chairman of the Board, and Üzeyir Garih, as Vice-chairman of the Board.

Temporary Article 3

The founding shareholders decided that any decision, disposition, document and other certificate binding the Company, drafted and executed on behalf of the Company shall be valid if it bears the stamp of the Company as well as two signatures from members of the Board İshak Alaton, Üzeyir Garih, Güner Koçel and Tamer Atauz until the first ordinary General Assembly and provided there is no contrary decision from the General Assembly.

Temporary Article 4

The founding shareholders decided to appoint as auditor of the Company until the first Ordinary General Assembly Mr. Mehmet Halit Güven, of Turkish nationality and residing Büyükdere Cad. Maslak Meydanı No 41 Ayazağa/İstanbul.

Temporary Article 5

The founding shareholders decided grant, until the first ordinary General Assembly, the powers foreseen by articles 334 and 355 of the Turkish Code of Commerce to the members of the Board.

Temporary Article 6

The stamp tax of 100.000 (one hundred thousand) calculated according to the Capital and related to the Articles of Association shall be paid to the relevant tax office in a three months term following the registration and the announcement of the Company.

FOUNDATORS

ALARKO HOLDİNG ANONİM ŞRİKETİ

ANMAK HOLDİNG ANONİM ŞİRKETİ

ALSİM ALARKO SANAYİ TESİSLERİ VE TİCARET ANONİM ŞİRKETİ

ALARKO SANAYİ VE TİCARET ANONİM ŞİRKETİ

ALARKO FENNİ MALZEME SATIŞ VE İMALAT ANONİM ŞİRKETİ