

VESTEL BEYAZ EŞYA SAN. VE TIC. A.Ş.
AMENDMENTS TO THE ARTICLES OF ASSOCIATION

FORMER WORDING	NEW WORDING
<p><u>OBJECT AND SCOPE</u> Article 5</p> <p>The Company's object is manufacturing of electronic equipment, tools, devices, spare parts, accessories, components and all kinds of white products.</p> <p>In order to achieve its objective, the Company may undertake;</p> <p>-Establishment, operation, lease, rent, acquire and transfer of offices, warehouses,</p> <p>-Execution of all kinds of commercial, financial and other relevant and necessary activities and transactions,</p> <p>-Acquisition, purchase, transfer and assignment, lease of trademarks, patents, know-how, and other intellectual property rights and signing of license and know-how agreements,</p> <p>-Purchase, lease, rent, operation, mortgage of all the necessary immovable properties, transportation vehicles, plants and machinery and real rights pertaining to these properties: acquisition of all kinds of immovable and immovable properties and commodity within the scope of free trade; lease of the same by financial leasing procedure.</p> <p>The Company may further involve in incorporation of companies or participation in the existing or potential companies as promoting partner or shareholder, and in this context, may purchase, sell, exchange, pledge shares and stock, and other securities, excluding undertaking of brokerage and portfolio management activities; it may enter into partnerships and joint ventures with real/legal entities in accordance with the tax laws and relevant legislation.</p>	<p><u>OBJECT AND SCOPE</u> Article 5</p> <p>The Company's object is manufacturing of electronic equipment, tools, devices, spare parts, accessories, components and all kinds of white products.</p> <p>The Company shall test the quality and conformity to applicable technical regulations, of any electronic equipment, tools, devices, spare parts, accessories components and all kinds of white goods, conduct quality control, conducts tests to improve their quality and carry out any related activities.</p> <p>In order to achieve its objective, the Company may undertake;</p> <p>-Establishment, operation, lease, rent, acquire and transfer of offices, warehouses,</p> <p>-Execution of all kinds of commercial, financial and other relevant and necessary activities and transactions,</p> <p>-Acquisition, purchase, transfer and assignment, lease of trademarks, patents, know-how, and other intellectual property rights and signing of license and know-how agreements,</p> <p>-Purchase, sell, transfer and waive, lease, rent, operation, mortgage of all the necessary immovable properties, transportation vehicles, plants and machinery and real rights pertaining to these properties: acquisition of all kinds of immovable and immovable properties and commodity within the scope of free trade; lease of the same by financial leasing procedure.</p> <p>The Company may further involve in incorporation of companies or participation in the existing or potential companies as promoting partner or shareholder, and in this context, may purchase, sell, exchange, pledge shares and stock, and other securities, excluding undertaking of brokerage and portfolio management activities; it may enter into partnerships and joint ventures with real/legal entities in accordance with the tax laws and relevant legislation.</p>

<p>The Company may conclude, within the scope of its subject, all kinds of contracts, participate in the tenders, and offer bids, including taking of undertaking of contracting activities directly or by assigning sub-contractors, purchase, sale, import, export of all kinds of goods and services.</p> <p>The Company may engage in production, export and import of machinery, accessories, components and installations and spare parts for use in processing of raw material, semi-finished and finished products.</p> <p>It may further carry out import, export production, custom manufacturing, domestic trading, brokerage, contracting, national and international representation and marketing activities within the scope of Company's objective. Including; establishment of short and long term consortiums with local and foreign companies and/or legal entities within the frame of relevant legislation, performance of works seeking financial liability, borrowing of short, mid and long term loans from the banks and other financial institutions. Whenever required, or deemed beneficial for progress of operations, the Company may acquire, sell, lease, use, rent and register in its own name patent rights, benchmarks, licenses and franchise, copy rights, operational rights and concessions, technical assistance and licenses, know-how, commercial titles, trademarks and other similar intellectual and intangible rights and may obtain export/import personal certificate.</p> <p>For and in connection with its objects, the Company may open, operate customs warehouses and engage in customs clearance activities.</p> <p>Save as that compliance with the principles stipulated in the capital market legislation is provided in establishment of lien, including guarantee, surety, warranty or mortgage in its own or 3rd party's favor.</p> <p>Further to the above, in special cases, necessary publication is made to extend information to the investors on a/m subjects in the direction of the requirements of Capital Market Board. Whenever it is required to engage in activities other than the activities and transactions listed above, the Board of Directors shall submit its proposal to the General Assembly for approval and the Company will be entitled to undertake such activities based on the relevant decision.</p> <p>In this context, prior approval and consent of the Capital Market Board and Ministry of Industry shall</p>	<p>The Company may conclude, within the scope of its subject, all kinds of contracts, participate in the tenders, and offer bids, including taking of undertaking of contracting activities directly or by assigning sub-contractors, purchase, sale, import, export of all kinds of goods and services.</p> <p>The Company may engage in production, export and import of machinery, accessories, components and installations and spare parts for use in processing of raw material, semi-finished and finished products.</p> <p>It may further carry out import, export production, custom manufacturing, domestic trading, brokerage, contracting, national and international representation and marketing activities within the scope of Company's objective. Including; establishment of short and long term consortiums with local and foreign companies and/or legal entities within the frame of relevant legislation, performance of works seeking financial liability, borrowing of short, mid and long term loans from the banks and other financial institutions. Whenever required, or deemed beneficial for progress of operations, the Company may acquire, sell, lease, use, rent and register in its own name patent rights, benchmarks, licenses and franchise, copy rights, operational rights and concessions, technical assistance and licenses, know-how, commercial titles, trademarks and other similar intellectual and intangible rights and may obtain export/import personal certificate.</p> <p>For and in connection with its objects, the Company may open, operate customs warehouses and engage in customs clearance activities.</p> <p>Save as that compliance with the principles stipulated in the capital market legislation is provided in establishment of lien, including guarantee, surety, warranty or mortgage in its own or 3rd party's favor.</p> <p>Further to the above, in special cases, necessary publication is made to extend information to the investors on a/m subjects in the direction of the requirements of Capital Market Board. Whenever it is required to engage in activities other than the activities and transactions listed above, the Board of Directors shall submit its proposal to the General Assembly for approval and the Company will be entitled to undertake such activities based on the relevant decision.</p> <p>In this context, prior approval and consent of the Capital Market Board and relevant Ministry shall be</p>
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be referred to for amendment of the Company's Statutes.

BOARD OF DIRECTORS

Article 8

The Company is administered, represented and bound by the Board of Directors comprising at least three, at most eleven members to be selected by the General Assembly among the shareholders.

The legal entity shareholders can be represented in the Board of Directors by more than one member. In this case, each Board member acting as representative of the legal entity will be entitled to one voting right in the Board of Directors.

The majority of the members in the Board of Directors comprise individuals who have no function in other executive committees.

The members of the Board of Directors are nominated among the eligible persons, preferably with high education and fully equipped with knowledge on the activities and management of the Company and relevant sector, at the same time, who has the capacity to read and understand the financial tables and reports, and to participate in the meetings organized by the Board of Directors to discuss the annual budget, and to provide support by sharing knowledge on legal adaptations observed by the Company during daily and long-term transactions and dispositions. The age limit for the members of the Board of Directors is 75. The members over the age of 75 are imposed to resign.

DUTIES AND FUNCTIONS OF THE BOARD OF DIRECTORS

Article 11

The Board of Directors performs and executes the functions delegated to it under the resolutions of Company's General Assembly by considering the requirements of the Capital Market Law, Turkish Commercial Code and this Articles of Association. The powers and responsibilities of the Board of

referred to for amendment of the Company's Statutes.

BOARD OF DIRECTORS

Article 8

The Company is administered, represented and bound by the Board of Directors comprising at least five, at most eleven members to be selected by the General Assembly among the shareholders.

The majority of the members in the Board of Directors comprise individuals who have no function in other executive committees.

The number and qualifications of independent members to serve in the Board of Directors shall be determined according to the regulations of the Capital Markets Board related to corporate governance.

The Chairman or Vice-Chairman of the Board of Directors shall be elected from among these independent members.

The members of the Board of Directors are nominated among the eligible persons, preferably with high education and fully equipped with knowledge on the activities and management of the Company and relevant sector, at the same time, who has the capacity to read and understand the financial tables and reports, and to participate in the meetings organized by the Board of Directors to discuss the annual budget, and to provide support by sharing knowledge on legal adaptations observed by the Company during daily and long-term transactions and dispositions. The age limit for the members of the Board of Directors is 75. The members over the age of 75 are imposed to resign.

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<p>Directors are listed below:</p> <ul style="list-style-type: none"> -To sign, prepare the Company's contracts and to execute transactions relating to purchases, -To determine the Company's profit, amount of ordinary and extraordinary reserves, appropriations and redemption costs to be allocated from this profit, -To call the General Assembly for ordinary and extraordinary meetings, to undertake preparation and announcement of the agenda, -To represent the Company before the shareholders and third parties, -To designate, approve and implement Company's strategies, -To launch and publicly promote Company's mission, vision and values, -To approve the Company's annual budget and work program, -To prepare Company's annual reports and to present the same to the General Assembly, -To designate the Company's policies in respect of shareholders and stakeholders, -To develop and implement corporate ethics, -To form committees reporting to the Board of Directors, to select members and to designate working principles of these committees, -To ensure preparation of Company's annual balance sheet and profit/loss accounts, to submit the annual report to the General Assembly, -To pass resolution on the subject of appointment, promotion and dismissal of the Company's signatories, consultants, supervisors and controllers, -To determine and to approve the wages, positions and annual expenses of the Company's signatories, consultants, supervisors and controllers, -To decide on new activities and investments, to determine the limits of authority, and if necessary, capital fund to be reserved, -To determine Company's risk management principles and to establish necessary units in order to develop an effective risk management. <p>In principles, the Board of Directors may neither engage in a transaction nor enter into competition with the Company pursuant to articles 334 and 335 of the Turkish Commercial Code. This is possible only if approved by the three-fourths of the shareholders present in General Assembly.</p>	<p>Directors are listed below:</p> <ul style="list-style-type: none"> -To sign, prepare the Company's contracts and to execute transactions relating to purchases, -To determine the Company's profit, amount of ordinary and extraordinary reserves, appropriations and redemption costs to be allocated from this profit, -To call the General Assembly for ordinary and extraordinary meetings, to undertake preparation and announcement of the agenda, -To represent the Company before the shareholders and third parties, -To designate, approve and implement Company's strategies, -To launch and publicly promote Company's mission, vision and values, -To approve the Company's annual budget and work program, -To prepare Company's annual reports and to present the same to the General Assembly, -To designate the Company's policies in respect of shareholders and stakeholders, -To develop and implement corporate ethics, -To form committees reporting to the Board of Directors, to select members and to designate working principles of these committees, -To ensure preparation of Company's annual balance sheet and profit/loss accounts, to submit the annual report to the General Assembly, -To pass resolution on the subject of appointment, promotion and dismissal of the Company's signatories, consultants, supervisors and controllers, -To determine and to approve the wages, positions and annual expenses of the Company's signatories, consultants, supervisors and controllers, -To decide on new activities and investments, to determine the limits of authority, and if necessary, capital fund to be reserved, -To determine Company's risk management principles and to establish necessary units in order to develop an effective risk management. <p>In principles, the Board of Directors may neither engage in a transaction nor enter into competition with the Company pursuant to articles 334 and 335 of the Turkish Commercial Code. This is possible only if approved by the three-fourths of the shareholders present in General Assembly.</p> <p>Corporate Governance Principles imposed by the Capital Markets Board shall be observed. Any acts done and any resolutions made without complying with the obligatory principles shall be invalid and deemed to be contrary to the Articles of Incorporation.</p>
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<p><u>GENERAL ASSEMBLY</u> Article 16</p> <p>The Company’s General Assembly convenes in the form of ordinary and extraordinary meeting. The ordinary General Assembly meeting is held at least once a year, within three months as of the end-of-Company’s fiscal year. The extraordinary General Assembly meets whenever required for conduct of Company’s business, in accordance with the principles stipulated in the law and this Articles of Association. The General Assembly meeting and meeting quorum is subject to the provisions of Turkish Commercial Code. The meeting place of General Assembly is Headquarters.</p> <p>Upon request of the Board of Directors, another suitable place in the city where the administrative building is located can be designated for the meeting. This change is notified in the call letters and announcements.</p> <p>The announcement for the General Assembly meeting is made at least three weeks before the meeting date. The call announcement can also be made through Company’s web site. The announcement calling General Assembly meeting must contain meeting agenda and proxy form for those who will cast vote by proxy.</p> <p>In addition to the announcement, it is statutory to exhibit in the Company’s Headquarters and the branches, the meeting agenda, the current version of the Articles of Association, financial tables and footnotes, profit distribution proposal, annual report and other information relating to the agenda. The documents related to the meeting are displayed also in the web-site.</p> <p>The Ministry of Commerce may invite the General Assembly for meeting whenever deemed necessary. Attendance of the individuals nominated as candidate for the Board of Directors, Board members, auditors, and the persons responsible for preparation of financial tables in the General Assembly meetings are admitted. Those not</p>	<p>The capital market law and regulations of the Capital Markets Board related to corporate governance shall be applicable to transactions significant for implementation of the Corporate Governance Principles and the Company’s any transactions in any relationship and any transactions in relation to giving securities, pledge and mortgage to third parties.</p> <p><u>GENERAL ASSEMBLY</u> Article 16-</p> <p>The Company’s General Assembly convenes in the form of ordinary and extraordinary meeting. The ordinary General Assembly meeting is held at least once a year, within three months as of the end-of-Company’s fiscal year. The extraordinary General Assembly meets whenever required for conduct of Company’s business, in accordance with the principles stipulated in the law and this Articles of Association. The General Assembly meeting and meeting quorum is subject to the provisions of Turkish Commercial Code. The meeting place of General Assembly is Headquarters.</p> <p>The announcement for the General Assembly shall be made in accordance with the provisions of Article 20 of the Company’s Articles of Incorporation.</p> <p>The announcement of General Assembly as well as announcements and statements required by the by-laws shall be available at the Company’s website within the time specified above.</p> <p>In addition to the announcement, it is statutory to exhibit in the Company’s Headquarters and the branches, the meeting agenda, the current version of the Articles of Association, financial tables and footnotes, profit distribution proposal, annual report and other information relating to the agenda. The documents related to the meeting are displayed also in the web-site.</p> <p>The relevant Ministry may invite the General Assembly for meeting whenever deemed necessary. Attendance of the individuals nominated as candidate for the Board of Directors, Board members, auditors, and the persons responsible for preparation of financial tables in the General</p>
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attending must disclose his/her excuse.

The shareholders are furnished detailed information about the candidates nominated for membership in the Board of Directors and the Auditors' Board. (This information on the candidates and auditors must contain profile, education level, present occupation, other duties undertaken in addition to the Board membership (if any), the positions held during the last five years, nature of his/her relation with the company and the governing shareholders, experience, independency/financial status, and other points which may effect service as member of the Board of Directors).

ANNOUNCEMENTS

Article 20

Notwithstanding the provisions of subsection 4, Article 37 of Turkish Commercial Code, the announcements of the Company are made at least two weeks before the event in the local newspaper circulated at the location of Company's Headquarters. In case of unavailability of a newspaper at the designated location, the announcements are given to the newspaper published in the nearest place.

The provisions of Articles 397 and 438 are applied to the announcements relating to capital increase/decrease.

In case of amendment of Articles of Association based on the power of attorneys issued by the shareholders, the amended text is also announced in the newspaper. The adaptations of Capital Market Board relating to announcements are reserved.

BALANCE SHEETS, PROFIT-AND-LOSS ACCOUNTS, BOARD OF DIRECTORS AND AUDIT COMMITTEE REPORTS

Article 29

The financial tables and reports stipulated in the regulations of the Capital Market Board and the independent audit report if independent auditing is required, are submitted to the Capital Market Board and disclosed to public in accordance with the

Assembly meetings are admitted. Those not attending must disclose his/her excuse.

ANNOUNCEMENTS

Article 20

Save for the provisions of the Turkish Commercial Code, the announcements of the Company shall be made through a daily newspaper in circulation in the place where the registered office is located.

In relation to General Assembly, the period of notice stipulated in the applicable Turkish Commercial Code, Capital Market Law and Corporate Governance Principles of the Capital Markets Board shall be observed. Announcement of the General Assembly shall be made at least three weeks prior to the date of General Assembly, in addition to the means stipulated by the legislation, by a newspaper of country-wide circulation and any means of communication, including electronic communication, to ensure distribution to as many shareholders as possible.

The applicable provisions of the Turkish Commercial Code in effect shall apply to the announcements relating to capital increase/decrease.

In case of amendment of Articles of Association based on the power of attorneys issued by the shareholders, the amended text is also announced in the newspaper. The adaptations of Capital Market Board relating to announcements are reserved.

BALANCE SHEETS, PROFIT-AND-LOSS ACCOUNTS, BOARD OF DIRECTORS AND AUDIT COMMITTEE REPORTS

Article 29

The financial tables and reports stipulated in the regulations of the Capital Market Board and the independent audit report if independent auditing is required, are submitted to the Capital Market Board and disclosed to public in accordance with the

procedure and principles set forth by the Capital Market Board.

At the end of each fiscal period, the reports prepared by the Board of Directors and Audit Committee Board on annual basis, as well as the balance sheet, profit and loss accounts financial tables and relevant reports indicating the financial status of the Company and issued in accordance with provisions of the Capital Market Law and relevant legislation is sent to the Ministry of Industry of Commerce within 30 days as of the date of General Assembly meeting.

Also, within latest one month as of the last General Assembly meeting, it is required to send to the Ministry of Industry or to deliver to the State Commissary present in the meeting three copies from each report to be prepared by the Board of Directors and Audit Committee, minutes of General Assembly meeting and the attendance list indicating the names of the attendee-shareholders and quantity of shares. The reports of Board of Directors and Audit Committee, balance sheet, profit and loss accounts, the current version of the Articles of Association is presented to the review of the shareholders at the Company's Headquarters and branches at least 15 days before the General Assembly meeting.

DELEGATION OF AUTHORITY BY THE BOARD OF DIRECTORS:

Article 30

Pursuant to provisions of Article 319 of the Turkish Commercial Code, the Board of Directors may delegate part of its authority and duties as well as representation power to a managing director or managers.

INDEPENDENCY OF BOARD OF DIRECTORS

Article 31

The Board of Directors comprises at least two independent directors. The Chairman and Vice Chairman of the Board of Directors are nominated among the independent directors.

The credentials of the independent directors are expected to meet the independence requirements stipulated in CMB "Corporate Governance Principles".

procedure and principles set forth by the Capital Market Board.

At the end of each fiscal period, the reports prepared by the Board of Directors and Audit Committee Board on annual basis, as well as the balance sheet, profit and loss accounts financial tables and relevant reports indicating the financial status of the Company and issued in accordance with provisions of the Capital Market Law and relevant legislation is sent to the relevant Ministry within 30 days as of the date of General Assembly meeting.

Also, within latest one month as of the last General Assembly meeting, it is required to send to the relevant Ministry or to deliver to the State Commissary present in the meeting three copies from each report to be prepared by the Board of Directors and Audit Committee, minutes of General Assembly meeting and the attendance list indicating the names of the attendee-shareholders and quantity of shares. The reports of Board of Directors and Audit Committee, balance sheet, profit and loss accounts, the current version of the Articles of Association is presented to the review of the shareholders at the Company's Headquarters and branches at least 3 weeks before the General Assembly meeting.

DELEGATION OF AUTHORITY BY THE BOARD OF DIRECTORS:

Article 30

Pursuant to provisions of Article 319 of the Turkish Commercial Code, the Board of Directors may delegate part of its authority and duties as well as representation power to a managing director or managers from among Board members except for independent Board members.

INDEPENDENCY OF BOARD OF DIRECTORS

Article 31

REMOVED.

COMMITTEES

Article 34

The Board of Directors forms as Corporate Governance Committee and Audit Committee reporting directly to the Board of Directors in the direction of the Capital Markets Board Corporate Governance Principles. The members of the Committees are nominated and appointed by the Board of Directors.

The working principles of the Committee are specified in writing and submitted for the information of the shareholders, investors and public opinion. The working principles of the Committee are also published on the Company's web site. The Board of Directors is the approval authority with respect of changes in working principles of the committees.

The committees comprise at least 2 members. The chairmen of the committees are selected among the independent members of the Board of Directors. The majority of the Committee members are nominated among the members who do not have executive duty. The committee members may not take office in more than one Committee.

Where deemed necessary, the Board of Directors may select committee members among the experts who are specialized on the subject involved. The Committees meet upon call of the Chairman. The Secretariat reporting to the Board of Directors is authorized to issue and to keep the minutes of meeting in the archives. The information related to Committees is exhibited in writing and stored in the archives upon registration.

AUDIT COMMITTEE

Article 35

An audit committee has been formed to ensure the financial and operational activities are carried out efficiently. This Committee meets at least 4 times in a year on quarterly basis. The individuals from outside can be invited to the committee meetings to furnish information on the agenda items.

CORPORATE GOVERNANCE COMMITTEE

Article 36

This Committee is formed to pursue compliance of the Company with Corporate Governance Rules and to submit proposals to the Board of Directors in connection with the appointments. The Committee convenes at least 3 times in a year.

The Chief Executive Officer of the Company may

COMMITTEES

Article 34

The formation, function, duties and working principles of committees that the Board of Directors is obligated to form in accordance with the capital market law and related regulations as well as their relationship with the Board of Directors shall be governed by the provisions of applicable regulations.

AUDIT COMMITTEE

Article 35

REMOVED

CORPORATE GOVERNANCE COMMITTEE

Article 36

REMOVED

not become a member of the Committee. The individuals from outside can be invited to the committee meetings to furnish information on the agenda items.

An Investor Relations Unit is established within the body of the Company to report to the Corporate Executive Committee in order to conduct a sound tracking of investors and to encourage relations between the investors and to improve consistency of public disclosures.