

**MINUTES OF THE ORDINARY GENERAL ASSEMBLY  
OF KUWAIT TURKISH PARTICIPATION BANK INC. DATED 31/03/2016**

Ordinary General Assembly of Kuwait Turkish Participation Bank Inc. was held on 31/03/2016, at 15:00 o'clock at Büyükdere Cad. 129/1 Esentepe-Şişli/İSTANBUL in meeting room of Head Office with the participation of Miss Şehval KIRIK and Mr. Mücahit Güngör who were designated by Ministry of Customs and Trade Istanbul Office as representatives with the letter dated 30.03.2016 and Nr: 14960038

Public announcement regarding the Assembly had been published and announced in Turkish Trade Registry Gazette dated 15/03/2016, issue Nr: 9032 and in Dünya Gazette dated 15/03/2015 pursuant to laws and regulation. Moreover shareholders had been called for the Assembly via registered letter, which has been posted on 11/03/2016 from Post Office of Mecidiyeköy. It was clearly understood that out of 2.530.000.000- total shares of the Company representing the paid-up capital of 2.530.000.000- TL, 2.017.236 shares had been represented by the principal persons and 2.504.446.820 shares by the legal representatives, totaling 2.506.464.056. 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. Asim ÖZGÖZÜKARA and there was no any other suggestion. Therefore, suggestion was voted.

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

Mr. Ö. Asim 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 .

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. Mazin S.A.S. AL NAHEDH as members of the Board and Miss Müjde Şehsuaroğlu 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**

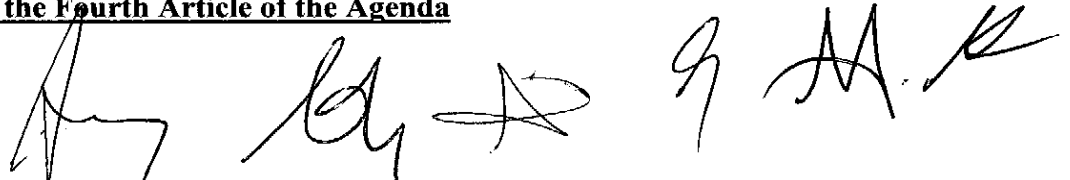
It had been unanimously resolved to give authority to the Presidency Council to sign the minutes of the Assembly on behalf of the Shareholders.

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

Annual Report of 2015 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 2015 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. 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 Müjde Şehsuvaroğlu, and negotiated and approved by the General Assembly unanimously.

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

After resigning of Member of the Board Mr. Abdullah TIVNİKLİ dated 29/07/2015, Mr. Mazin S.A.S. AL NAHEDH, who was appointed as a board member in accordance with the decision numbered 1635 that made on the meeting held on 16/09/2015, 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**

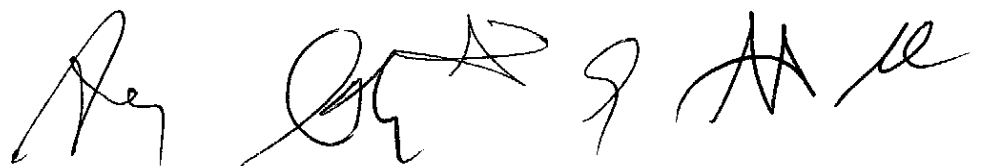
The services of the Board Members has been negotiated. The Members of Board of Directors was separately acquitted by the General Assembly for their services in 2015 unanimously. The Board Members did not vote for their own acquittal.

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

In accordance with the Board of Directors' proposal, the following profit appropriation for 2015 had been submitted to the approval of the General Assembly, and approved unanimously.

After deducting the financial obligations from the profit of the year 2015, out of the remaining TL 444.680.957.- :

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 22.234.048.- shall be appropriated as the 1st Legal Reserves,
2. TL 476.496,-TL.- 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 5<sup>th</sup> article of Corporate Tax Law nr.5520 TL 48.311.504,-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 49/1-3 of the Articles of Association that is effective during the accounting period; TL 3.399.529,- TL 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 495.765,- to the Chairman of the Board, TL 424.941,- to the Vice President and TL 354.118,- to the each member of the Board of Directors.



5. In accordance with the Article 49/1-3 of the Articles of Association that is effective during the accounting period; TL 259.523.504,- portion of remaining profit shall be distributed to the shareholders for bonus capital increase and against this capital increase shareholders shall be given bonus shares in proportion to their shares
6. TL 339.953.- 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 ,
7. In accordance with the Article 49/1-3 of the Articles of Association that is effective during the accounting period, TL 110.395.923,- portion of remaining profit shall be appropriated as "Extraordinary Reserves".

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

Based on the preliminary permission dated 10 March 2016, Nr. 50035491-431.04 - of Ministry of Customs and Trade-Internal Trading General Directorate following the approval of Banking Regulatory and Supervisory Board dated 10 March 2016, Nr. 20008792.101.01.04[93]-E3655 The change in 7<sup>th</sup> article which concludes, the Bank's raise its nominal capital from TL 2.530.000.000.- to TL 2.790.000.000.- was discussed and approved unanimously as submitted below:

<b><u>OLD TEXT</u></b>	<b><u>NEW TEXT</u></b>
<p><b><u>SHARE CAPITAL</u></b></p> <p><b><u>ARTICLE 7</u></b></p> <p>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.</p> <p>Out of TL 2,530,000,000 (Two billion five hundred and thirty million Turkish Lira) capital;</p> <p>a) TL 2,290,000,000 (Two billion two hundred and ninety million Turkish Liras) is paid fully.</p> <p>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.</p> <p>The added capital of TL 127,160 (One Hundred Twenty Seven Thousand 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.</p>	<p><b><u>CAPITAL and SHARES</u></b></p> <p><b><u>ARTICLE 7</u></b></p> <p>The capital of the Bank is TL 2,790,000,000 (Two Billion Seven Hundred And Ninety Million Turkish Lira) which is divided into TL 2,790,000,000 (Two Billion Seven Hundred And Ninety Million) shares each with a nominal value of TL 1. The shares are issued in the name of the shareholders.</p> <p>Out of TL 2,790,000,000 (Two Billion Seven Hundred And Ninety Million Turkish Lira) capital;</p> <p>a) TL 2,530,000,000 (Two Billion Five Hundred And Thirty Million Turkish Lira) is paid fully.</p> <p>b) The TL 259,523,504 ( Two Hundred and Fifty Nine Million Five Hundred and Twenty Three Thousand Five Hundred Four Turkish Lira) of the increased amount of TL 260,000,000 (increasing capital) (Two Hundred Sixty Million Turkish Liras) is provided in full from the retained earnings of 2015 (fully from internal resources). Against this capital increase shareholders will be given bonus shares in proportion to their shares.</p> <p>The added capital of TL 476,496 (Four Hundred Seventy Six Thousand And Four Hundred Ninety Six 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 2015. Against this capital increase shareholders will be given bonus shares in proportion to their shares.</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 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 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 2016, according to the Turkish Commercial Law's 399. Article was approved unanimously.

**In accordance with Twelfth 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 2015.

**In accordance with Thirteenth 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 26.01.2016, Nr. 2016/1. and written statement of BRSA dated 11.02.2016, Nr. 20008792-101.02.01[93]-E.1994, regarding the profit distribution.

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

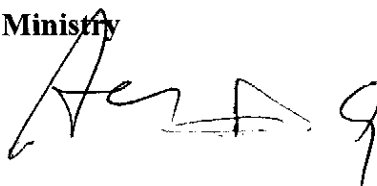
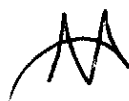
It has been unanimously resolved that the Board of Directors is permitted to execute any transactions mentioned in Article 395 and 396 of the Turkish Commercial Code.

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

Wishes listened. Amongst the attendees the representative of Islamic Development Bank (IDB) Mr. Kazimkhan Turaev took the floor and said "it is convenient to be delivered the Agenda to them"

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

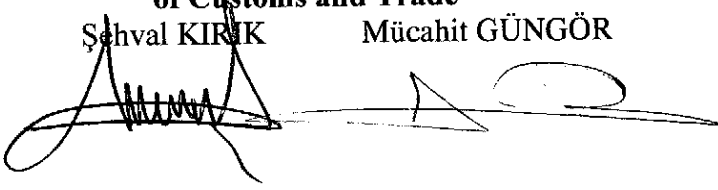
Representatives of Ministry



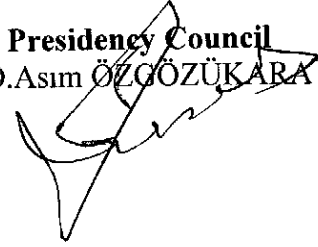
Chairman of the



**of Customs and Trade**  
Şahval KIRIK Mücahit GÜNGÖR



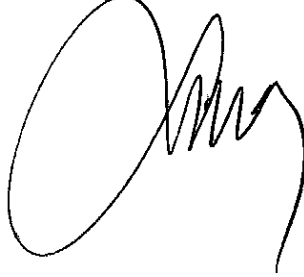
**Presidency Council**  
Ö.Asım ÖZGÖZÜKARA



**Voting Office**  
Ahmet KARACA



**Voting Office**  
İbrahim POLAT



**Secretary**  
Bekir HALAÇOĞLU

