

GARANTI LEASING

BOARD OF DIRECTORS INTERNAL GUIDE

Clause 1- PURPOSE AND SCOPE

The purpose of this internal guide is to define the authorities, task distribution and operation principles of Garanti Leasing Board of Directors parallel to the Turkish Commercial Code, related legislation and primary contract. This internal guide involves the authority and task distribution of the Board of Directors and fundamentals and procedures of the Board meetings.

Clause 2- BASIS

This Internal Guide was established based on the 12th clause of the Garanti Leasing's Primary Contract parallel to the article No. 367 and 371 of the Turkish Commercial Code and the secondary legislation.

Clause 3- DEFINITONS

The definitons in this internal guide represents the followings:

- a) Company: Garanti Leasing
- b) Meeting: Board of Directors Meetings
- c) TTK: Law No 6102 Turkish Commercial Code functioning since 13/01/2011
- d) SPK: Capital Markets Board
- e) Commission: Banking Regulation and Supervision Agency

Clause 4- THE FORMATION, QUALIFICATIONS AND TERM OF THE BOARD OF DIRECTORS

4.1.The Board consists of at least five, at most nine members including the general manager or his representative as a natural member.

4.2The board members, excluding general manager, are elected for three years.The members whose terms come to an end can be elected again. The board elects a new member and submits it to the approval of the General Assembly if a member quits.

The General Assembly can change the members of the Board of Directors if necessary.

4.3. The fundamentals and procedures of election and selection process of board members, general manager and executive vice presidents are defined by the General Assembly.

Clause 5- THE AUTHORITIES AND TASKS OF THE BOARD OF DIRECTORS

5.1 Board of Directors is responsible from the internal and external representation of the company. Board is authorized to – except the authority of General Assembly – take decisions on any case regarding the operations and transactions of the company, monitor the course of works, prepare reports on the issues presented to itself, enforce these decisions or establish committees, in which board members can also be present, for internal auditing purposes parallel to Law and Primary Contract.

The clauses related to the establishment and authorities of commisions and committees are reserved parallel to Law No 6361 – Code for Leasing, Factoring, Financing Companies and related regulation, Securities Exchange Act and secondary legislation.

The committees whose establishments are compulsory parallel to the decision of the company's board and legislation in force are defined below. The Board is authorized to establish additional committees if necessary.

Audit Committee; is established to help the Board of Directors fulfil its task on monitoring the efficiency of company's internal audit system. Audit Committee's main purpose is to monitor the sufficiency and efficiency of internal control, risk management and internal audit systems of the company, to monitor the process of accounting and reporting systems parallel to related legislations and the integrity of the data established, to make the necessary evaluations in the election of the independent audit firms, monitor the operations of these

independent audit firms regularly and sustain and coordinate the internal audit functions of the organizations which are subject to audit.

Credit Committee; Company assigns a certain amount of its credit utilization authority to the Credit Committee parallel to the Law No 6361 – Code for Leasing, Factoring, Financing Companies and related regulation. The appropriate credit applications delivered to Headquarters by the branches and exceeding the Headquarters' authority are presented to the Credit Committee which meets once a week. Credit Committee reviews these credit applications and concludes the ones which are under its authority. The credit applications over the Committee's authority are directed to the Board. The Credit consists of at least two members who will be elected and selected among Board members and the general manager or his representative.

Corporate Governance Committee; is established to identify the corporate governance principles are applied or not, conflict of interests arising from the discrepancy to these principles and advising the Board in respect of improving these principles parallel to the Primary Contract, the Corporate Governance Declaration published by the Capital Markets Board and the related legislation. Due to the structuring of the Board, Corporate Governance Committee also undertakes the tasks of the Nomination and Compensation Committees.

5.2 The Board of Directors is responsible for neatly and delicately performing the tasks those are assigned by the General Assembly and for honestly protecting the company's legal benefits and advantages.

5.3 The Board of Directors may assign the management authority partly or totally to one or more than one board member or to another individual save for the untransferable authorities specified in the Law No 6361 – Code for Leasing, Factoring, Financing Companies and related regulation, Securities Exchange Act and Turkish Commercial Code.

The Board can define the individuals representing the Company and the method for representing the Company. The Board can also assign the representing authority to one or more than one board member, executive director or directors or to another individual and can also assign apart authority for these. At least one of the Board members shall possess representing authority.

The individuals who have the signing authority behalf of the Board and Company, can assign their authorities to appropriate individuals partly or totally with special or general representation.

5.4 The Board members are authorized to be informed and to investigate parallel to the Law No 392 and 437 of the Turkish Commercial Code.

Clause 6- BOARD OF DIRECTORS MEETING PROCEDURES AND RULES

6.1 The Board meets if it is necessary for the company.

6.2 The Board is invited to meetings parallel to the procedures and rules of the Company.

6.3 The Board's Chairman, his representative, or any other member can define the meeting agenda taking the written resolutions of the Board members into account.

6.4 The Board of Directors meets with the majority of the members and takes its decisions with the majority of the members present. This rule also applies if the meeting is held in an electronic environment.

6.5 The eligible individuals those can attend the meetings can also join these meetings if the meetings are held in an electronic environment parallel to the Article No 1527 of the Turkish Commercial Code. The company shall provide the appropriate environment for the stakeholders willing to join these electronic meetings parallel to the announcement procedures. The company can either establish the Electronic Meeting System itself or purchase a system already established for this purpose. The company will provide the stakeholders to utilize their legislative rights by either establishing the electronic system or by purchasing the electronic system in accordance with this clause of the primary contract.

Clause 7- REPRESENTATION AND BINDING

The Company's representation and binding methodology is defined in Supplementary 1 document of the Internal Guide. For the contracts and transactions made behalf of the company to be binding, these contracts and transactions shall have two authorized signatures just under the Company's Corporate Name except for the restrictions and exceptions defined in Supplementary 1

Clause 8- TASKS AND DEFINITIONS

The Company's actual tasks, the definitions of these tasks, task stations regarding HeadQuarters and Branches, task degrees and people who are reported are defined in Supplementary 2 document.

Clause 9- FINAL CLAUSES

9.1 This Internal Guide was approved in the Garanti Leasing Board of Directors Meeting dated 04.06.2015 and will be effective on the date when it is announced by the T. Trade Registration Paper.

9.2 The Supplementaries are inseperable from the Internal Guide.

9.3. The clauses those are not defined or arranged by the Internal Guide are implemented and executed parallel to the Turkish Commercial Code, secondary legislation and primary contract. This Internal Guide can be partially or totally changed by a decision taken by the Board of Directors except for the clauses those Turkish Commercial Code authorized the Board exclusively and those featuring in Company's primary contract.

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REPRESENTATION AND BINDING

One or more than one board member can be assigned to represent the Company in any issues with the decision of the Board of Directors. Other than this exception, for all the contracts and transactions made behalf of the company to be binding, these contracts and transactions shall have two authorized signatures just under the Company's Corporate Name. The Company's representing authority is divided into two groups as A and B among the individuals and the method for using this authority is defined below

The Circular letter which is the base for Company's representing authority will be identified, registered and announced as defined below;

1- For the transactions below to be fully authorized, joint signatures of two board members with A group signature authorities are needed.

- Purchasing real-estates and share certificates,

- Establishing rights on properties of the Company over USD 1.000.000 (equal or over) or in any other currencies equal to this amount or pledging these as collaterals,

- Issuing securities, profit and loss sharing certificates, financial bonds,

- Executing all kinds of general power of attorneys,

- Signing leasing or factoring contracts and all kinds of contracts related to these contracts (Except for the treasure, derivative and credit transactions – done via banks or financial corporations – and preparing / signing of all kinds of documents related these transactions) over USD 20.000.000 (equal or over) or in any other currencies equal to this amount,

- All kinds of money transfers done via our Company's bank accounts to other bank accounts over USD 20.000.000 (equal or over) or in any other currencies equal to this amount (Central Bank rates will be used),

- All kinds of money transfers done via our Company's bank accounts to our Company's bank accounts over USD 100.000.000 (equal or over) or in any other currencies equal to this amount (Central Bank rates will be used),

- All kinds of treasure, derivative and credit transactions (including the payback of the credits) – done via banks or financial corporations – and preparing / signing of all kinds of documents related these transactions over USD 50.000.000 (equal or over) or in any other currencies equal to this amount (Central Bank rates will be used),

- All kinds of securities at any value.

2- For the transactions below to be fully authorized, joint signatures of one board member and one executive vice president with A group signature authorities are needed.

- Establishing rights on properties of the Company over USD 1.000.000 (equal or over) or in any other currencies equal to this amount or pledging these as collaterals,

- Signing leasing or factoring contracts and all kinds of contracts related to these contracts (Except for the treasure, derivative and credit transactions – done via banks or financial corporations – and preparing / signing of all kinds of documents related these transactions) between USD 2.000.000 (equal or over) and USD 20.000.000 or in any other currencies equal to this amount,

- All kinds of money transfers done via our Company's bank accounts to other bank accounts between USD 2.000.000 (equal or over) and USD 20.000.000 or in any other currencies equal to this amount (Central Bank rates will be used),

- All kinds of money transfers done via our Company's bank accounts to our Company's bank accounts between USD 50.000.000 (equal or over) and USD 100.000.000 or in any other currencies equal to this amount (Central Bank rates will be used),

- All kinds of treasure, derivative and credit transactions (including the payback of the credits) – done via banks or financial corporations – and preparing / signing of all kinds of documents related these transactions between USD 30.000.000 (equal or over) and USD 50.000.000 or in any other currencies equal to this amount (Central Bank rates will be used),

- All kinds of securities between USD 1.000.000 (equal or over) and USD 10.000.000 or in any other currencies equal to this amount (Central Bank rates will be used),

- Purchasing of all kinds of securities and real-estates subject to leasing contracts with or without encumbrances as the Company as a leaser, signing the necessary contracts related to these purchasing transactions, annotating the related leasing contracts at their special registrations, transacting of the selling process – under property transferring transactions – to lessees by the Company as a leaser, executing general or special power of attorneys in the name of other individuals

- Acting on behalf of the Company on all the transactions (without any limitations) done with the Central Registry Agency,

- Purchasing real-estates or rights characterized as real-estates,

- Purchasing or selling share certificates, committing or warranting of these purchases and sells

- Settle and release,

- Arranging and signing of all clauses those are not subject to this circular,

- Executing power of attorneys related to the transactions above.

3- For the transactions below to be fully authorized, joint signatures of two individuals – at least one of them shall be the executive vice president – with A group signature authorities are needed.

- Establishes and registers all kinds of servitudes like pledges, purchases, loyalty, residence or surface rights belonging to other individuals established on behalf of the Company, real-estate obligations or all kinds of real and personal rights, annotates and cancels rental rights and abandons / releases all kinds of real rights.

- All kinds of securities up to USD 1.000.000 or in any other currencies equal to this amount,

- Signing leasing or factoring contracts and all kinds of contracts related to these contracts (Except for the treasure, derivative and credit transactions – done via banks or financial corporations – and preparing / signing of all kinds of documents related these transactions) up to USD 2.000.000 or in any other currencies equal to this amount (Central Bank rates will be used),

- All kinds of money transfers done via our Company's bank accounts to other bank accounts up to USD 2.000.000 or in any other currencies equal to this amount (Central Bank rates will be used),

- All kinds of money transfers done via our Company's bank accounts to our Company's bank accounts between USD 25.000.000 (equal or over) and USD 50.000.000 or in any other currencies equal to this amount (Central Bank rates will be used),

- All kinds of treasure, derivative and credit transactions (including the payback of the credits) – done via banks or financial corporations – and preparing / signing of all kinds of documents related these transactions between USD 10.000.000 (equal or over) and USD 30.000.000 or in any other currencies equal to this amount (Central Bank rates will be used),

- Signing all kinds of documents and contracts related to the applications made to Economy Ministry or all kinds of official institutions.

- Executing power of attorneys related to the transactions above.

4- For the transactions below to be fully authorized, joint signatures of two individuals with A group signature authorities are needed.

- Signing leasing or factoring contracts and all kinds of contracts related to these contracts (Except for the treasure, derivative and credit transactions – done via banks or financial corporations – and preparing / signing of all kinds of documents related these transactions) up to USD 1.000.000 or in any other currencies equal to this amount (Central Bank rates will be used),

- All kinds of money transfers done via our Company's bank accounts to other bank accounts up to USD 1.000.000 or in any other currencies equal to this amount (Central Bank rates will be used),

- All kinds of money transfers done via our Company's bank accounts to our Company's bank accounts up to USD 25.000.000 and USD 50.000.000 or in any other currencies equal to this amount (Central Bank rates will be used),

- All kinds of treasure, derivative and credit transactions (including the payback of the credits) – done via banks or financial corporations – and preparing / signing of all kinds of documents related these transactions up to USD 10.000.000 or in any other currencies equal to this amount (Central Bank rates will be used),

- All kinds of securities up to USD 1.000.000 or in any other currencies equal to this amount,

- Receiving or pledging with indorsement for pledge securities (without any limitations) prepared behalf of the Company,

- Purchasing or selling securities, treasury bills and alike securities,

- Signing written requests or demands following the issuance of a letter of credit, instruction letters belonging to these and written exchange engagements

- Sending modification, confirmation and reconciliation letters,

- Signing receipts of payments,,

- Signing and authorizing all kinds of all kinds of reports prepared by official institutions.

5- For the transactions below to be fully authorized, joint signatures of any two individuals with signature authorities are needed.

Performing, organizing and signing invoices, letters, slips, circular letters and bank statements, insurance policies and addendums, vouchers, declarations and reports, transactions or commitments those are not implied related to electricity, water, gas, PTT (Post Office), Government Railways, Maritime Lines and traffic.

6- Execution of all kinds of transactions up to USD 50.000 or in any other currencies equal to this amount (Central Bank rates will be used) limited with the payments those will be made to traffic and customs advisors parallel to the Leasing Contract and signing of orders and instructions in this context.

7- The right for the high signing authority to be authorized for low level transactions are saved.

SPECIFICATIONS OF TASK

PART 1: HEADQUARTERS					
TASK / TITLE	SIGNING AUTHORITY	SPECIFICATIONS OF TASK	TASK / TITLE BEING REPORTED TO	TASK STATION	HEADQUARTERS /BRANCH
GENERAL MANAGER	BOARD MEMBER - A	Responsible for the execution of the strategy determined by the Board of Directors parallel to the Company's vision and mission, determining new operational initiatives, managing the Company's executive actions parallel to the related legislation,	BOARD of DIRECTORS	HEADQUARTERS	HEADQUARTERS

PART 1: HEADQUARTERS

		primary contract, decisions of the Company Board of Directors and the authorities delegated to himself.			
EXECUTIVE VICE PRESIDENT	A	Responsible for planning and managing the line of business he is responsible for (With the leadership of the General Manager) and the units those are reporting to him parallel to vision, mission, strategies of the company, related legislation and decisions of the Company Board of Directors to make the Company achieve its aims.	GENERAL MANAGER	HEADQUARTERS	HEADQUARTERS
SENIOR VICE PRESIDENT (UNIT HEAD) OF HEADQUARTERS	A	Responsible for managing the line of business and completing the units' tasks he is responsible for with the leadership of the Board Member or Executive Vice	EXECUTIVE VICE PRESIDENT	HEADQUARTERS	HEADQUARTERS

PART 1: HEADQUARTERS

		<p>President. Task names can diversify according to the responsibilities the task teams have. Each Unit Head (Senior Vice President) operates according to the signing authority delegated to himself.</p>			
MANAGER	B	<p>Executes the unit's operations with the leadership of the Unit Head (Senior Vice President), coordinates and supervises the operations of the service that he is responsible for and helps the Unit Head (Senior Vice President) in all kinds of matters. Task names can diversify according to the units and responsibilities of the services. Each Manager operates according to the signing authority delegated to</p>	<p>SENIOR VICE PRESIDENT (UNIT HEAD) OF HEADQUARTERS</p>	<p>HEADQUARTERS</p>	<p>HEADQUARTERS</p>

PART 1: HEADQUARTERS

		himself.			
SENIOR SPECIALIST	B	Executes the unit's operations with the leadership of the Unit Head (Senior Vice President) and the Manager and helps the Unit Head (Senior Vice President) and the Manager in all kinds of matters. Each Senior Specialist operates according to the signing authority delegated to himself.	SENIOR VICE PRESIDENT (UNIT HEAD) OF HEADQUARTERS MANAGER	HEADQUARTERS	HEADQUARTERS
CHIEF OF SECURITY AND ADMINISTRATIVE AFFAIRS	B	Executes the administrative affairs of the Security and Administrative Affairs Unit with the leadership of the Unit Head (Senior Vice President), coordinates and supervises the operations of the service that he is responsible for and helps the Unit Head (Senior Vice President) in all kinds of	SENIOR VICE PRESIDENT (UNIT HEAD) OF HEADQUARTERS	HEADQUARTERS	HEADQUARTERS

PART 1: HEADQUARTERS

		<p>matters. Chief of Security and Administrative Affairs operates according to the signing authority delegated to himself.</p>			
ADVOCATE	B	<p>Executes the operations of the Law Unit with the leadership of the Unit Head (Senior Vice President), coordinates and supervises the operations of the service that he is responsible for and helps the Unit Head (Senior Vice President) in all kinds of matters. Each Advocate operates according to the signing authority delegated to himself.</p>	<p>SENIOR VICE PRESIDENT (UNIT HEAD) OF HEADQUARTERS</p>	<p>HEADQUARTERS</p>	<p>HEADQUARTERS</p>

PART 2: BRANCHES

TASK / TITLE	SIGNING AUTHORITY	SPECIFICATIONS OF TASK	TASK / TITLE BEING REPORTED TO	TASK STATION	HEADQUARTERS / BRANCH
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PART 2: BRANCHES

<p align="center">BRANCH MANAGER</p>	<p align="center">B</p>	<p>Responsible for the general management of the branch and is the assigned chief of the branch. Each Branch Manager operates according to the signing authority delegated to himself.</p>	<p>EXECUTIVE VICE PRESIDENT, SENIOR VICE PRESIDENT (UNIT HEAD) OF HEADQUARTERS</p>	<p align="center">BRANCH</p>	<p align="center">BRANCH</p>
<p align="center">BRANCH SUPERVISOR</p>	<p align="center">B</p>	<p>Executes the operations of the Branch with the leadership of Branch Manager and helps the Branch Manager in all kinds of matters related to the Branch. Each Branch Supervisor operates according to the signing authority delegated to himself.</p>	<p>SENIOR VICE PRESIDENT (UNIT HEAD) OF HEADQUARTERS / BRANCH MANAGER</p>	<p align="center">BRANCH</p>	<p align="center">BRANCH</p>