

BYLAW

of the

WHITE GOODS MANUFACTURERS' ASSOCIATION OF TURKEY

Name and Central Office of the Association

Article 1- The name of the association is White Goods Manufacturers' Association of Turkey. Its acronym is TÜRKBEŞD and it is possible from now on to use the acronym to describe the Association. The Central Office of the Association is located in Istanbul. It has no branches.

Objective of the Association, Subjects and Forms of the Efforts to be pursued by the Association for the Objective, and its Sphere of Activity

Article 2- The objectives of the Association are improving the White Goods Industry in Turkey, increasing the quality in Domestic and International standards, increasing exports, turning domestic brands into internationally recognized ones, working on technical, energy efficiency and environmental compatibility subjects in production and to ensure the technological development of the sector. Utilizing regional and industrial potential in the best manner; contributing to the preparation of national economic policies and domestic development; developing projects to expedite the sector's international integration, especially its integration with the EU, as well as to expedite local development; announcing problems and solution proposals to the public and relevant authorities; carrying out the necessary efforts to ensure compliance of the association members and the sector to energy efficiency and environmental compliance laws, all by taking the target of modern civilization as a basis with a view to contribute to the economic and social development of our country.

Subjects and Forms of the Efforts to be pursued by the Association

- a-** Maintaining conduct with public authorities as well as private and legal persons to represent its members and to establish and ensure the material and moral protection and the guidance needed by the White Goods manufacturing industry which has a major role in the development of our country and in providing a convenient and comfortable life to our citizens.

- b-** Receiving opinion from the relevant legal or scientific organizations and establishments for all kinds of judiciary, legal and professional support to its members.
- c-** Attempting to resolve the conflicts that arise between its members in commercial, industrial and other subjects as a conciliator and through arbitration.
- d-** Conducting researches to enable and develop activities. Organizing educational activities such as courses, seminars, conferences and panels.
- e-** Obtaining all kinds of information, documents and publications to fulfill the objective of the Association; establishing a documentation center; issuing publications such as newspapers, magazines or books to announce its efforts in accordance with the objectives and to publish studies and informative brochures to distribute to its members,
- f-** Creating a healthy working environment to fulfill the objective; providing all kinds of technical equipment, fixtures and office supplies,
- g-** Undertaking fundraising activities by receiving necessary permissions, accepting domestic and international donations,
- h-** Setting up and managing economic enterprises, commercial and industrial businesses, and participating in such establishments as a party or entrepreneur to obtain the income required for the fulfillment of the bylaw.
- i-** Organizing dinner parties, concerts, balls, theatre performances, exhibitions, trips, entertainment activities, etc. to develop and sustain personal relations between its members or ensuring that its members benefit from such activities,
- j-** Purchasing, selling, renting, leasing and establishing right in rem on moveable and immovable properties required for the activities of the Association,
- k-** If deemed necessary to fulfill the objective; instituting foundations and federations or joining an existing association, foundation and federation or joining the platforms that might be created with other associations or instituting platforms. Obtaining permissions and establishing the facilities that associations can set up by receiving the required permissions.

- l-** Engaging in international activities, becoming a member to associations or organizations abroad and conducting project-based, joint studies or cooperating with these,
- m-** If deemed necessary to fulfill the objective; conducting joint projects with public institutions and organizations in areas within its sphere of duty, with the provisions of the Law no. 5072 on the Relations of Associations and Foundations with Public Institutions and Organizations being reserved,
- n-** Opening up branches and representative agencies where deemed necessary to pursue the Association's activities,
- o-** Establishing platforms to realize a common objective with other associations or foundations, unions and similar non-governmental organizations in areas which are related to the Association's objective and not banned by law,
- p-** Founding competent bodies acknowledged by ministries in subjects related to the industry and its members, participating in senior boards as a member, providing service to other non-member companies when in these boards, establishing companies to carry out these works or partnering with such companies,

Sphere of Activity

The Association becomes engaged in activities concerning Industrial Cooperation, and in all subjects related to the sector as well as in areas of Professional Life and Professions.

Membership Right and Membership Procedures

Article 3- Any real and legal person with a capacity to act, adopting the objectives and principles of the Association, accepting to work in line with these, fulfilling the conditions stipulated by the Legislation, and engaged in the production of one or more among the types of home refrigerators, freezers, washing machines, clothes dryer machines, ovens, dishwashers, vacuum cleaners, heaters, air-conditioners and similar products which are defined as white home goods has the right to become a member.

Members with legal personality are represented by 5 people at the most. They pay membership fee according to this representation method. However, foreign real persons need to have the right to abode in Turkey if they are to become members.

This condition does not apply for honorary membership.

The membership application shall be made to the Chairmanship of the Association in writing. It will be decided on as acceptance or refusal of

membership by the management board in up to thirty days and the result shall be communicated to the applicant in writing. The member whose application is accepted shall be registered in the book kept for this purpose.

The original members of the Association are the founders of the Association as well as the persons accepted to be members by the Board of Directors upon their applications.

Those who had served significantly to the production of White Goods or to the development of this industry and/or the Association; or those who removed themselves from original membership after attaining such a level of service can be granted Honorary Membership by a Board of Directors decree.

Quitting Membership

Article 4- Any member has the right to quit from the Association, provided they notify the Association in writing.

Quitting procedures are considered finalized as the member's letter of resignation reaches the board of directors. Quitting membership does not eliminate the member's accumulated debt to the association.

Removal from Membership

Article 5- Conditions requiring removal from membership:

- a- Acting against the Association bylaw,
- b- Losing the membership conditions specified in the Law on Associations and this bylaw ends Association membership automatically/on its own.
- c- Constantly avoiding the duties assigned,
- d- Not paying the membership fee in six months despite written warnings,
- e- Not obeying the decisions made by the bodies of the Association,
- f- Leaving the sector and group companies,

If any of the conditions above is detected with the Association Members, such member shall be removed from membership by the decision of the Board of Directors.

Those quitting or being removed from the Association are deleted from membership registry and may not make any claims on the Association assets.

Bodies of the Association

Article 6- Bodies of the Association are specified below:

- 1-General Assembly,
- 2-Board of Directors,
- 3-Board of Auditors,

Establishment Form, Gathering Time, Calling and Meeting Procedure of the General Assembly

Article 7-General Assembly is the most authoritative decision making body of the Association and is comprised of registered members.

General Assembly;

1-Gathers as ordinary general assembly at the times specified in this bylaw,

2-Gathers as extraordinary general assembly when deemed necessary by the Board of Directors or Auditors or within thirty days upon the written request of one fifth of the Association members.

The ordinary general assembly gathers every other year in December at the date, location and time to be determined by the Board of Directors.

The General Assembly shall be called to the meeting by the Board of Directors.

If the Board of Directors does not call the General Assembly to the meeting, upon the application of a member, the magistrate assigns three members to call the general assembly to the meeting.

Call Procedure

The Board of Directors issues the list of the members entitled to attend the General Assembly as per the bylaw of the Association. The members entitled to attend the General Assembly are called to the meeting by announcing the Assembly's date, time, location and agenda on a newspaper or by sending written notification via certified mail to the members' addresses recorded at the Association and/or by also sending e-mail to the members who have provided the Association with their e-mail addresses. This call indicates the date, time and location of a second meeting in case the meeting cannot be held because of a failure to achieve majority. The period between the first and second meetings cannot be shorter than seven days and longer than sixty days.

If the meeting is adjourned due to a reason other than the failure to achieve majority, this situation shall be notified to the members in accordance with the call procedure followed for the first meeting and by stating the reasons for adjournment. The second meeting must be held in six months at the most from the date of adjournment. Members shall be called to the second meeting based on the conditions specified in the first clause.

The meeting of the General Assembly cannot be adjourned for more than once.

Meeting Procedure

General Assembly gathers by the absolute majority of the members entitled to attend; in the cases of a bylaw amendment or the termination of the Association, it gathers by the attendance of two thirds of the members. If the meeting is adjourned due to a failure to achieve majority, the second meeting shall not require the attendance of majority.

However, the number of participants to the second meeting cannot be fewer than twice as many as the full number of the Board of Directors and Board of Auditors members.

The attendance sheet of the members entitled to participate in the General Assembly shall be kept available at the meeting place.

The identity certificates granted by official authorities to the members who will enter the meeting place shall be checked by the officials who will be assigned by the Board of Directors members or the Board of Directors. The members shall enter the meeting place by signing opposite their names in the attendance sheet issued by the Board of Directors.

If the quorum for meeting is achieved, the situation shall be specified on the minutes and the meeting shall be opened by the Chairman of the Board or a board member to be assigned by the Chairman. If the quorum for meeting cannot be constituted, the minutes shall be prepared by the Board of Directors.

Following the opening, the Council Committee shall be formed by electing a Chairman to manage the meeting and sufficient numbers of Vice Chairmen and Secretaries.

During the polls to be performed for the election of Association bodies, the members who cast votes must display their identity certificates to the Council Committee and sign opposite their names on the attendance sheet.

The Head of the Council Committee shall be responsible for the management and ensuring the safety of the meeting.

Only the items in the agenda shall be discussed during the General Assembly. However, **issues demanded in writing by one tenth of the members present at the meeting for discussion must be included in the agenda.**

Each member has one right to vote at the General Assembly; the member has to use the vote in person. Honorary members may attend the General Assembly meetings but may not vote. If the member is a legal person, the person or persons appointed by the legal person to represent it shall vote.

The issues discussed at the meeting and the decisions taken shall be written on the minutes and signed by the Head of the Council Committee and the Secretaries. At the end of the meeting, the minutes and other documents shall be submitted to the Chairman of the Board of Directors. The Chairman shall be responsible for preserving these documents and presenting them to the newly elected Board of Directors in seven days.

General Assembly's Procedures and Forms for Voting and Decision Taking

Article 8-Unless decided otherwise, **the members of the Board of Directors and Board of Auditors shall be elected by secret voting whereas decisions on other issues shall be made by open voting.**

The votes collected by having the members cast the papers sealed by the Meeting Chairman or ballots after conducting the necessary action in an empty box and then openly counting them at the end of voting shall be considered secret votes.

The method to be specified by the General Assembly Chairman shall be applied for open voting.

The decisions of the General Assembly shall be taken by the absolute majority of the members attending the meeting. However, decisions on bylaw amendment or termination of the Association may be taken only by two thirds majority of the members attending the meeting.

Decisions Taken without a Meeting or Call

Decisions taken by the written agreement of all members without gathering and decisions taken by the gathering of all Association members without following the call procedures specified in this bylaw shall be valid.

Such making of a decision shall not qualify for an ordinary meeting.

Duties and Powers of the General Assembly

Article 9-The following issues shall be discussed and decided by the General Assembly:

- 1-Electing the Association's bodies,
- 2-Amending the Association's bylaw,
- 3-Discussing the Board of Directors and Board of Auditors reports, and submitting these to the Board of Directors,
- 4-Discussing the budget prepared by the Board of Directors and accepting these as is or after being amended,
- 5-Authorizing the Board of Directors for purchasing the immovable properties necessary for the Association or selling the existing immovable properties,
- 6-Reviewing the regulations to be prepared by the Board of Directors regarding the Association activities and accepting these as is or after being amended,
- 7-Determining the wage and all allowances, travel expenses and indemnities to be given to the Board of Directors and Board of Auditors chairmen and members who are not public officials as well as the daily payments and travel expenses to the members who will be assigned for Association services,
- 8-Deciding the Association's joining to and leaving from a federation,

- 9-The Association's engaging in international activities, its joining as a member or leaving from associations and organizations abroad,
- 10-The Association's establishing a foundation,
- 11-Termination of the Association,
- 12-Reviewing the Board of Directors' other proposals and concluding these,
- 13-Performing the other duties specified in the legislation and the regulations to be carried out by the General Assembly,

The General Assembly shall audit the other bodies of the Association and may discharge them at any time on justified grounds.

The General Assembly shall make the final decision on the acceptance to or removal from membership. As the most authoritative body of the Association, it shall carry out the other tasks and use the other powers not assigned to other bodies.

Organization, Duties and Powers of the Board of Directors

Article 10- The Board of Directors shall be elected by the General Assembly as 7 full members and 5 associate members.

The Board of Directors shall divide the tasks in its first meeting after being elected and shall elect 1 Chairman, 2 Vice Chairmen, 1 Secretary, 1 Accountant and 2 Members.

The Board of Directors may be convened to meeting at any time provided all the members are notified.

The Board of Directors shall gather with the presence of one member more than the half of the full member count. Decisions shall be made by the absolute majority of the full number of the members attending the meeting. Absolute majority of the full member count shall be the quorum for Meetings and Decisions.

Board membership of any Board Member not attending three routine meetings in a row without an excuse that is accepted by the Board shall expire and such member shall be deemed to have resigned in this manner.

If a vacancy is formed in the full membership of the Board of Directors due to resignation or other reasons, the associate members shall be called for duty in the order of the number of votes they received in the General Assembly.

Duties and Powers of the Board of Directors

The Board of Directors fulfills the following duties.

- 1- Representing the Association or empowering a member or a third party to do so,
- 2- Performing the actions regarding income and loss calculations, preparing the budget for the next term and submitting such budget to the General Assembly,

3- Preparing and implementing regulations with regard to the operation procedures and the methods to be applied in the efforts for all activities of the Association and its committees and commissions.

4- Purchasing immovable properties, having buildings and facilities constructed, concluding lease contracts, having pledges, mortgages and real rights established in the Association's favor,

5- Ensuring the establishment of branches where deemed necessary,

6- Implementing the decisions taken at the General Assembly,

7- Performing domestic and international activities that provide funds for the services and activities towards the objective and targets of the Association.

8- Taking decisions on the acceptance of members to the Association; deciding on the removal of the members who act to harm the moral existence and power of the Association.

9- Calling the General Assembly to ordinary and extraordinary meetings, deciding on the General Assembly's agenda.

10- When deemed necessary, forming transient or permanent Councils, Committees and Commissions from Association employees or external volunteers or professionals so as to assist with the efforts in line with the plans and strategies.

11- Recruiting the Association Personnel.

12- Deciding on the Association's setting up establishments in accordance with the Association's objective, founding of income generating facilities, and deciding on how and in what manner the Association's financial assets are to be utilized. Ensuring that such activities and services are performed by the branches,

13- Establishing the necessary administrative infrastructure, Councils, Commissions and Committees for the promotion of the Association and the popularization of its activities. Approving such Councils, Commissions and Committees to generate income and make spending in line with the budgets they will prepare.

14- Issuing the report describing the operation account or balance sheet and income statements of the association as well as the activities of the Board of Directors at the end of each activity year; submitting these to the General Assembly when it gathers,

15- Ensuring the implementation of the Budget,

16- Taking and implementing all kinds of decisions within its powers to fulfill the Association's objective,

17- Performing other duties and using the powers assigned to it by the legislation,

Organization, Duties and Powers of the Board of Auditors

Article 11-The Board of Auditors shall be elected by the General Assembly as 3 full members and 3 associate members.

If a vacancy is formed in the Board of Auditors' full membership due to resignation or other reasons, the associate members shall be called for duty in the order of the number of votes they received in the General Assembly.

Duties and Powers of the Board of Auditors

The Board of Auditors shall audit the Association as to whether it acts towards the objective and the efforts specified in the Association's bylaw; and whether the books, accounts and records are kept in compliance with the legislation and the Association's bylaw as per the principles and procedures laid down in the bylaw and in intervals not exceeding one year; and shall submit the audit results as a report to the Board of Directors and the General Assembly when it convenes.

The Board of Auditors may convene the General Assembly to meet, when necessary.

Income Sources of the Association

Article 12-Income sources of the Association are listed below.

1-Entrance Fee: The entrance fee is collected as TRY2000 from legal persons at the time of membership application. The General Assembly is authorized to increase or reduce this amount.

2- Membership Fee: Membership fee is TRY1000 per year for legal persons. The General Assembly is authorized to increase or reduce this amount.

3-Donations: There revenues include the donations and aids real and legal persons make to the Association on their own will.

4-Activity Incomes: Incomes obtained through the dinner and tea parties, trips and entertainment organizations, concerts, sports competitions and conferences organized by the Association,

5-Incomes from the Assets: Incomes obtained through the Association's movable or immovable properties as interest, rent or revenues of a similar nature,

6-Incomes from Commercial Activities: Incomes from the commercial activities, facilities or partnerships the Association embarked on to obtain the income it requires to fulfill its objective.

7-Other Incomes: Other incomes not specified above and obtained through all other activities which are deemed permissible by the Turkish Civil Code and the Law on Associations.

Bookkeeping Principles and Procedures of the Association and the Books to be kept

Article 13-Bookkeeping Principles;

The books shall be kept as per the operation account method. However, in the case where the annual gross income exceeds the limit specified in Article 31 of the Regulation on Associations, the books shall be kept on the basis of balance sheet beginning from the next accounting period.

When the shift to balance sheet basis takes place, if the limit mentioned above is not achieved for two successive accounting periods, the bookkeeping may be switched back to operation account method beginning from the next year.

Notwithstanding the limit mentioned above, the books may be kept on the basis of balance sheet by the resolution of the Board of Directors.

In the case where a business organization is established by the Association, books shall be kept separately for such business organization as per the provisions of the Tax Procedure Law.

Recording Procedures

The books and records of the Association shall be kept by the procedures and principles specified in the Regulation on Associations.

Books to be kept

The books listed below shall be kept by the Association.

a) Below are the books to be kept as per operation account method and the principles to be followed:

1-Minute Book: Resolutions of the Board of Directors shall be recorded in this book in chronological and numerical order, and the resolutions shall be undersigned by the members participating in the meeting.

2-Member Registration Book: Identity information, acceptance and quitting dates of the members shall be recorded in this book. Entrance fees and annual membership fees paid by the members may be written down in this book.

3-Document Registration Book: Received and sent documents shall be recorded in this book in chronological and numerical order. The originals of the incoming documents and the copies of the outgoing ones shall be kept in file. Documents received or sent via e-mail shall be printed and kept as such.

4-Fixtures Book: Acquisition date and method of fixtures as well as where they are used or given; and deletion of the ones that expire shall be recorded in this book.

5-Operation Account Book: Incomes received and expenditures made in the Association's name shall be clearly and regularly recoded in this book.

6-Receipt Register Book: Serial and sequence numbers of receipts; names, surnames and signatures of those receiving and returning these

receipts as well as the dates they received and returned them shall be registered in this book.

b) Below are the books to be kept on basis of balance sheet and the principles to be followed:

1-The books kept as per the 1st, 2nd, 3rd and 6th sub-clauses of clause (a) shall also be kept if the balance sheet basis is to be used.

2-Daybook, Ledger and Inventory Book: The principles of the General Communique on Accounting System Application issued as per the powers appointed to the Ministry of Finance by the Tax Procedure Law shall be applicable on the procedure and recording method of these books.

Approval of the Books

Before the obligatory books are kept by the Association, they shall be approved by the Provincial Department of Associations or a notary public. These books shall be used until they run out of pages and there shall be no interim approvals. However, it is obligatory that the books kept on basis of balance sheet and books with form or continuous form pages be reapproved every year in the last month which precedes the year that they will be used

Issuing of Income Statements and Balance Sheets

If the books are kept as per operation account principle, an "Operation Account Statement" (provided in Appendix 16 of the Regulation on Associations) shall be issued at year-ends (31 December). If the books are kept on basis of balance sheet; a balance sheet and an income statement shall be issued at year-ends (31 December) based on the General Communique on the Accounting System Application drafted by the Ministry of Finance.

Income and Expenditure Proceedings of the Association **Article 14-Income and Expenditure Documents**

Association's incomes shall be collected via a "Receipt" (an example of which is provided in Appendix 17 of the Regulation on Associations). If the incomes are collected through banks, receipts or account abstracts issued by the banks shall substitute Association receipts.

Association expenditures shall be made through vouchers such as bills, retail vouchers, and self-employment bills. However, a note of expense shall be issued for the Association payments within the scope of Tax Procedure Law provisions and an "Expense Voucher" (an example of which is provided in Appendix 14 of the Regulation on Associations) for other payments outside of such scope.

Deliveries of free goods and services made to persons, institutions or organizations by the Association shall be made through a "Delivery Notice of Aid In-Kind" (an example of which is provided in Appendix 14 of the Regulation on Associations). Deliveries of free goods and services made to the Association by persons, institutions or organizations shall be accepted through a "Receipt of Aid In-Kind" (an example of which is provided in Appendix 15 of the Regulation on Associations).

Receipts

"Receipts" to be used in the collection of Association incomes (in the form and sizes indicated in Appendix 17 of the Regulation on Associations) shall be printed by a printing house with the resolution of the Board of Directors.

When the receipts are printed and controlled, when they are received from the printing house, recorded in the books, handed over between the previous and the new bookkeepers, used by the person or persons who will collect the incomes on the Association's behalf, and when these collected incomes are delivered; relevant provisions of the Regulation on Associations shall be adhered to.

Certificate of Authorization

The person or persons who will collect incomes in the name of the Association shall be determined by the resolution of the Board of Directors with their authorization name being stated. The "Certificate of Authorization" (an example of which is provided in Appendix 19 of the Regulation on Associations), including the clear identity, signature and photos of the persons to collect the income, shall be issued by the Association in three copies and approved by the Chairman of the Board of Directors. Copies of the authorization certificates shall be provided to the Department of Associations. Amendments to the certificate of authorization shall be notified to the Department of Associations within fifteen days by the Chairman of the Board of Directors.

The persons to collect income in the Association's name may only begin collection upon the delivery of a copy of their authorization certificate to the Department of Associations.

Relevant provisions of the Regulation on Associations shall be adhered to in the use, renewal, return and other issues of the authorization certificate.

Keeping Period of Income and Expenditure Documents;

The receipts, vouchers and other documents used by the Association, except for the books, shall be kept for 5 years in accordance with the numerical and chronological order in the books they are recorded, without prejudice to the durations specified in specific laws.

Submitting of Declaration

Article 15-The "Declaration of Association" (provided in Appendix 21 of the Regulation on Associations), concerning the results of the Association's activities as well as its income and expenditure proceedings in the previous year shall be filled by the Board of Directors and submitted to the Public Administrative Authority in the first four months of each calendar year by the Chairman of the Association.

Reporting Obligation

Article 16-Notifications to be made to the Public Administrative Authority;

Result Notification of the General Assembly

"Result Notification of the General Assembly" (provided in Appendix 3 of the Regulation on Associations) and its appendices, which include the full and associate members elected to boards of directors and audit as well as other bodies, shall be reported by the Chairman of the Board of Directors to the public administrative authority within thirty days following the ordinary and extraordinary General Assembly meetings:

Following appendices shall be included in the Result Notification of the General Assembly

1-Copy of the General Assembly's meeting minutes, signed by the chairman, vice chairmen, and the secretary of the meeting,

2-If the bylaw is amended; new and previous forms of the amended articles and every page of the bylaw's final form.

Notification of Immovable Properties

Immovable properties obtained by the Association shall be reported to the public administrative authority by filling the "Declaration of Immovable Properties" (provided in Appendix 26 of the Regulation on Associations) within thirty days of their registration to the land registry.

Notification of Collecting Aid from Abroad

In the case where the Association receives aid from abroad, two copies of "Notification of Collecting Aid from Abroad" (provided in Appendix 4 of the Regulation on Associations) shall be filled and submitted to the public administrative authority before such aid is received.

A copy of the resolution of the Board of Director as to the receiving of aid from abroad; the protocol, contract or similar documents made to this end (if any); and copies of the bank receipt, extra or similar document related to the bank account the aid will be transferred to shall be attached to the notification form.

It is obligatory that cash aids be received through banks and the condition of reporting be fulfilled before the aid is used.

Notification regarding the Joint Projects Carried Out with Public Institutions and Organizations

A copy of the protocol or project regarding the joint projects that the Association carries out with public institutions and organizations within its field of duty shall be attached to the "Project Notification" (provided in Appendix 23 of the Regulation on Associations) and submitted to the governorship of the province where the central office of the Association is located.

Notification of Amendments

Any changes to where the Association is located shall be reported with a "Notification of Amendment in Location" (provided in Appendix 24 in the Regulation on Associations); any changes to the Association's bodies which took place out of the General Assembly meeting shall be reported with a "Notification of Amendment to Association Bodies" (provided in Appendix 25 of Regulation on Associations) to the public administrative authority within thirty days of the amendment.

Any amendments to the Association's bylaw shall be reported to the public administrative authority within thirty days following the General Assembly meeting that the amendment took place, with the Notification of the General Assembly Result attached.

Internal Audit of the Association

Article 17-Internal audit may be conducted by the General Assembly, the Board of Directors or the Board of Auditors; independent auditing organizations may also perform such audits. An audit conducted by the General Assembly, the Board of Directors or independent auditing organizations shall not eliminate the auditing obligation of the Board of Auditors.

The Association shall be audited by the Board of Auditors once a year at the latest. The General Assembly or the Board of Directors may perform an audit when deemed necessary or have independent auditing organizations perform such audit.

Borrowing Procedures of the Association

Article 18-The Association may borrow when needed to fulfill its objective and pursue its activities upon the resolution of the Board of Directors. This borrowing may be in the form of goods or services on credit as well as cash.

However, this borrowing may not be in such an amount that cannot be met by the Association's income sources and in a manner that places the Association in payment difficulty.

The Procedure for Amending the Bylaw

Article 19-Amendments to the bylaw may be made by the Board of Directors' resolution.

2/3 majority of the members entitled to participate in the General Assembly shall be sought to amend the bylaw at the General Assembly. In the case where the meeting is adjourned due to a failure to achieve majority, no majority shall be sought in the second meeting. However; the number of members participating in this second meeting may not be less than twice the full number of the members in the Boards of Directors and Auditors.

Decision majority to amend the bylaw is 2/3 of the votes of the members participating to the meeting and possessing the right to vote.

Voting for the amendment to the bylaw during the General Assembly shall be made as Open Voting.

Termination of the Association and the Method of Liquidating its Assets

Article 20-The General Assembly may resolve to terminate the Association at any time.

2/3 majority of the members entitled to take part in the General Assembly shall be sought to discuss the subject of termination. In the case where the meeting is adjourned due to a failure to achieve majority, no majority shall be sought in this general meeting. However; the number of members participating in this second meeting may not be less than twice the full number of the members in the Boards of Directors and Auditors.

Decision majority to resolve to termination is 2/3 of the votes of the members participating to the meeting and possessing the right to vote

Voting for the termination during the General Assembly shall be made as Open Voting

Liquidation Procedures

When the General Assembly decides on termination; the liquidation of the money, properties and rights of the Association shall be carried out by the liquidation committee which comprises of the Board of Directors members. These procedures shall commence on the date when the General Assembly resolution on termination is made or the condition of self-termination becomes certain. During the liquidation term, the name of the Association shall be used as "***White Goods Manufacturers' Association of Turkey in Liquidation***" in all its activities.

The liquidation committee shall be responsible for and authorized to the full completion of liquidation procedures of the Association's money, properties and rights, as per the legislation. This committee shall inspect the Association's accounts first.

During the inspection; all books, receipts, expense documents, title deeds and bank records as well as other documents shall be determined and the existence and liabilities thereof shall be registered in an official report.

Creditors of the Association shall be called and the debts shall be paid to them by converting the Association's properties, if any, into money. If the Association is the creditor, its receivables shall be collected. All the money, properties and rights that are left after the receivables have been collected and the debts have been paid off shall be transferred to the location determined in the General Assembly. If no such location is determined during the General Assembly; these goods, rights and receivables shall be transferred to the Turkish Red Crescent Society.

All procedures related to the liquidation shall be shown on the official liquidation report and, except for the additional durations given by the public administrative authorities on basis of fair reasons, liquidation procedures shall be completed within three months.

Once the liquidation and transfer procedures of the Association's money, properties and rights are completed, it is obligatory that the liquidation committee report the situation in writing to the public administrative authority where the Association's central office is located within seven days and attach the official liquidation report to such document.

As the liquidation committee, the last members of the Board of Directors shall be responsible for preserving the books and documents of the Association. This duty may be appointed to one of the Board of Directors member. The term for keeping these books and documents shall be five years.

Founding Members of the Association

Article 21- The following members, each a citizen of the Republic of Turkey and whose names and hometowns are specified below, are the Founding Members of the White Goods Manufacturers' Association of Turkey.

Hasan Subaşı	Caddebostan	İstanbul
Hüseyin Eevli	Göztepe	İstanbul
Galip Sipahi	Erenköy	İstanbul
Özcan Atay	Göztepe	İstanbul
İsmail H. Amasyalı	Suadiye	İstanbul
Deniz Taner	Bornova	İzmir
Ejder Tarhan	Bakırköy	İstanbul
Hasan N. Sunay	Suadiye	İstanbul
Nesim Levi	Yeşilköy	İstanbul

Absence of Provisions

Article 22-The Law on Associations, Turkish Civil Code and the Regulation on Associations which has been issued in reference to these laws and the provisions of other legislation concerning associations shall be applicable on the issues not specified in this bylaw.

BOARD OF DIRECTORS