

BYLAWS

Bylaws Regarding the Working Principles and Procedures of the Shareholders General Assembly of Pegasus Hava Tařımacılıđı A.ř.

SECTION ONE

Purpose, Scope, Basis and Definitions

Purpose and Scope

ARTICLE 1- The purpose of the Bylaws is to determine the working principles and procedures of the shareholders' general assembly of Pegasus Hava Tařımacılıđı A.ř. in writing, in accordance with the provisions of the Law, the relevant legislation and the articles of association. The Bylaws cover each ordinary and extraordinary shareholders' general assembly held by Pegasus Hava Tařımacılıđı A.ř.

Basis

MADDE 2- The Bylaws have been prepared by the board of directors in accordance with the provisions of the "Regulation relating to the Procedures and Principles of Shareholders' General Assembly to be Held by Joint Stock Companies and the Ministry Representatives to Attend the General Assembly".

Definitions

MADDE 3- The following terms used throughout the Bylaws shall carry the meaning corresponding to them below:

- a) Daily Session: A day's meeting of the General Assembly,
- b) Law: Turkish Commercial Code No. 6012, dated 13 January 2011,
- c) Session: Part of a meeting separated by a recess, lunch or another similar reason,
- d) Meeting: Ordinary and extraordinary general assembly gatherings,
- e) Chairing Authority: The chairing council consisting of the chairman of the meeting, the deputy-chairman (if deemed necessary) and the secretary responsible for the minutes who are appointed by the shareholders at the meeting and the voting official (if deemed necessary) to be appointed by the chairman, each, in accordance with the provisions of the first paragraph of Article 419 of the Law.

SECTION TWO

Working Procedures and Principles of the General Assembly

Mandatory Provisions

ARTICLE 4 – Meeting is organized in compliance with the provisions of the Law, the relevant legislation and the articles of association relating to the general assembly.

Admission to Meeting and Preparations

ARTICLE 5 – (1) Shareholders named in the list of attendees prepared by the board of directors, their representatives, members of the board of directors, the auditor (if any), the Ministry representative (if assigned), persons to be appointed as the chairman, other managers and employees of the company, guests, voice and film recording technicians and the representatives from the press can attend the general assembly.

(2) While entering the meeting room, real person shareholders and their representatives appointed through the electronic general assembly system in accordance with the provisions of Article 1527 of the Law must show identification while representatives of shareholders appointed otherwise must show proxy document or a certificate of authority and identification, in each case in exchange of signing the relevant part of the list of attendees. Members of the board of directors or persons authorized by the board of directors will control the identification and authority documents submitted by the attendees.

(3) The board of directors is responsible for the preparation of the meeting room that will accommodate all shareholders and procuring the necessary stationary items, documents, tools and equipment for the meeting to the meeting room. If deemed necessary, the board of directors may voice and video record the meeting.

Opening the Meeting

ARTICLE 6 – The meeting is convened at the company headquarters or another convenient location in the city where the company headquarters is located. The meeting will open for discussions upon the determination in writing by the chairman or the deputy-chairman of the meeting or a member of the board of directors at the predetermined time provided that the requisite quorum as per Articles 418 and 421 of the Law is present. Provisions of Article 416 of the Law regarding the convening of the general assembly without any invitation for the meeting are reserved.

Establishment of the Chairing Authority

ARTICLE 7- (1) Under the administration of the person opening the meeting as per Article 6 of the Bylaws the shareholders first appoint a chairman for the meeting, and a deputy-chairman if deemed necessary, who do not have to be shareholders in the company and who will be responsible for the governance of the meeting.

(2) The Chairman will appoint at least one secretary responsible for keeping the meeting minutes and, if deemed necessary, a sufficient number of voting officials. If the meeting is held electronically the chairman may also appoint specialists or advisors to ensure that the technical requirements are met.

(3) The chairman is authorized to sign the meeting minutes and other documents prepared that for the basis for the content of the minutes.

(4) When chairing the meeting the chairman acts in accordance with the relevant provisions of the Law, the articles of association and the Bylaws.

Duty and Authority of the Chairing Authority

ARTICLE 8 – The chairing authority undertakes the following duties under the presidency of the chairman:

a) Ensuring that the meeting is convened at the address indicated in the invitation for the meeting and if the location is indicated in the articles of association, inspecting the adequacy of such location.

b) Inspecting and recording in the minutes their findings on whether the meeting invitation was published in the way required in the articles of association and in any case through the company website and the Turkish Trade Registry Gazette, whether the invitation was published at least three weeks prior to the meeting date excluding the publication and meeting dates, and whether shareholders named in the company share book and those evidencing their shareholding in the company and their address by a written notice to the company have been sent the invitation through registered and return-receipt mail.

c) Controlling the entry of those who are not authorized to attend the meeting in the meeting room and overseeing whether the board of directors comply with its duty set out in Article 5 of the Bylaws regarding admission to the meeting.

d) In the event the general assembly convenes for meeting without invitation as per Article 416 of the Law, controlling the presence of all shareholders or their representative throughout the meeting and whether there is any objection for the convening of the general assembly in such fashion.

e) Determining and recording in the meeting minutes the presence of the articles of association, the company share book, the annual activity report of the board of directors, auditor reports, financial statements, the meeting agenda, the proposed amendments to the articles of association prepared by the board of directors (if any), the approval of the Ministry of Customs and Trade if the amendment of the articles of association is subject to such approval, the list of attendees prepared by the board of directors, the postponement decision of the previous meeting if the meeting is a postponed meeting of a previously held general assembly and other documents in relation to the meeting.

- f) In case of a dispute or if otherwise necessary, controlling the accuracy of the identification and authority documents of the attendees signing the list of attendees.
- g) Determining and recording in the meeting minutes the presence of executive directors, at least one member of the board of directors and the company auditor should the company be subject to audit.
- h) Chairing the meeting in accordance with the meeting agenda, preventing the discussion of non-agenda items subject to exceptions provided in the Law, ensuring meeting order and taking necessary measures for maintaining order.
- i) Opening and closing daily sessions and sessions and closing the meeting.
- j) Reading the resolutions, proposals, minutes, reports, suggestions and similar documents relating to the discussions to the shareholders and allowing those who would like to express their views on these documents to take the floor.
- k) Conducting the vote of decision-matters and informing the attendees of the results.
- l) Overseeing the presence of the requisite meeting quorum throughout the meeting and ensuring that the decisions are adopted in compliance with the appropriate voting quorum.
- m) Announcing notifications by the representatives mentioned in Article 428 of the Law to the general assembly.
- n) Preventing those who are deprived of their voting rights as per Article 436 of the Law in relation to the relevant agenda items and to oversee all voting limitations foreseen in the Law and the articles of association.
- o) Postponing discussions on the financial statements and other items in connection to a subsequent meeting to be held in one month's time at the request of shareholders representing at least one-twentieth of the company capital.
- p) Ensuring the drafting of the meeting minutes, that the minutes include dissenting opinions, signing minutes and decisions and clearly indicating the votes for and against each proposal voted at the meeting.
- q) Delivering the meeting minutes, the annual activity report of the board of directors, audit reports, financial statements, list of attendees, meeting agenda, proposals, voting ballots and all other documents relating to the meeting to one of the members of the board of directors present at the meeting.

Pre-Agenda Items

ARTICLE 9 – The chairman of the meeting will have the meeting agenda read to the general assembly. The chairman will ask if there is any objection to the order of agenda items and submits any objections to the vote of the general assembly. Order of agenda items may be altered upon affirmation by the majority of the votes present at the meeting.

Agenda and Discussion of Agenda Items

ARTICLE 10 – (1) The agenda for the ordinary general assembly meetings must include the following:

- a) Opening of the meeting and establishment of the chairing authority.
- b) Discussion of the annual report prepared by the board of directors, the audit report where the company is subject to audit and the financial statements.
- c) Release of the members of the board of directors, and auditors, if any.
- d) Upon expiry of the relevant term, election of the members of the board of directors and the auditor where the company is subject to audit.
- d) Determination of honorary fees, bonus payments, etc. payable to the members of the board of directors.
- e) Determination of the use of distributable profit and its distribution.
- f) Discussion of amendments to the articles of association, if any.
- g) Other matters requiring discussion.

(2) The agenda for the extraordinary general assembly meetings is constituted by the reasons necessitating such Meeting.

(3) Save for the exceptions listed below, non-agenda items cannot be discussed or resolved upon at the Meeting:

- a) New items can be added to the agenda by the unanimous approval of all shareholders of the Company.

b) Request for a special audit as per Article 438 of the Law will be decided on by the shareholders' general assembly irrespective of such request being excluded from the agenda.

c) Dismissal of members of the board of directors and the appointment of new directors are deemed to relate to the discussion of year-end financial statements and therefore will be decided on by the shareholders' general assembly irrespective of such item not being explicitly mentioned in the agenda.

d) Even if there is no relevant agenda item, dismissal of members of the board of directors and the appointment of new directors due to just causes such as corruption, incapacity, violation of loyalty to the Company, inability to perform due to director duties assumed at several other companies and undue influence can be included in the agenda upon approval of the majority of those present at the Meeting.

(4) An agenda item that is already discussed and resolved cannot be made subject to further discussion or a new resolution unless the shareholders that are present at the meeting unanimously decide otherwise.

(5) Items that result from an audit or otherwise requested by the Ministry of Customs and Trade must be included in the agenda.

(6) Those calling for the Meeting also determine the meeting agenda for the meeting.

Speaking at the Meeting

ARTICLE 11 – (1) Shareholders and others concerned willing to speak on the agenda item under discussion will notify the Chairing Authority of their request. The Chairing Authority will inform the Meeting of those who will take the floor and provides such persons the right to speak in order of application. If the relevant person whose turn has come is no longer present at the Meeting his/her right to speak will no longer be valid. All speeches are to be made from the area allocated for such use and must be addressed to the shareholders' general assembly. Speakers are allowed to exchange their turns to speak. If the speaking time is limited, the person whose time has expired can only continue his/her speech to the extent the next speaker allows and in any event limited with the time limit allocated for the next speaker. Speech time cannot be extended in any other way.

(2) The Chairman may give the floor to the members of the board of directors and the auditor, upon their request, irrespective of the order of the speaker list.

(3) The time for speeches will be determined by the shareholders' general assembly based on the proposal by the Chairman or the shareholders, depending on the number and importance of agenda items and the number of speakers willing to speak. In such instance the Meeting must first vote whether applying time limits is necessary and then decide on what the time limit should be if the first decision requires time limitation.

(4) With respect to the transmission of opinions by those attending the meeting through electronic means as per Article 1527 of the Law and the relevant provisions of the applicable law apply.

Voting and Voting Procedure

ARTICLE 12 – (1) Before voting begins, the Chairman will announce the matter that is put into vote of the shareholders to the Meeting. If a draft resolution is to be voted, voting can start only after the draft resolution is put into writing and read to the shareholders' general assembly. After an announcement on the start of the voting procedure a right to speak can be requested only on procedural matters. In this context, any shareholders who have not been allowed to speak despite his/her request will be allowed to speak. However; no speeches will be allowed once voting begins.

(2) Votes on matters discussed at the Meeting can be cast by a show of hands, standing up or separately indicating favorable and against opinion. The votes are counted by the Chairing Authority. The Chairing Authority may, at its discretion, authorize the necessary amount of persons to help with the counting of the votes. Those who do not show hands, not standing up or making no statements are deemed to cast an "against" vote in respect of the matter that is put to vote.

(3) With respect to the voting of those attending the meeting through electronic means as per Article 1527 of the Law and the relevant provisions of the applicable law apply.

Preparation of the Meeting Minutes

ARTICLE 13 – (1) The Chairing Authority will sign the list of attendees indicating the shareholders or their representatives, and the number, group and nominal value of the shares they represent; the questions raised and answers provided at the Meeting will be summarized; and the decisions at the Meeting indicating the number of votes in favor and against for each decision will be indicated in the Meeting minutes that must be prepared in accordance with the Law and the applicable regulations.

(2) The Meeting minutes will be drafted on location by typewriter, computer or in legible handwriting. Whenever computer is used the Meeting location must also have a printer allowing the minutes to be printed.

(3) The Meeting minutes will be prepared in at least two originals and each page of each original will be signed by the Chairing Authority, and the Ministry Representative, if any.

(4) The minutes must indicate the commercial title of the Company, the date and location of the Meeting, the total nominal value and number of shares in the Company, the total number of shares represented at the Meeting, the identity of the Ministry Representative and the date and number of such Representative's authority letter, if any, and the method of announcement for the Meeting.

(5) Number of votes cast relating to decisions adopted at the Meeting must be explicitly indicated in the meeting minutes in numbers and letters to avoid any hesitation.

(6) The identity of the shareholders voting against a decision and their dissenting view will be included in the Meeting minutes at their request.

(7) If the dissenting view is provided in writing, such document will be annexed to the Meeting minutes. The minutes will indicate the identity of the dissenting shareholder and that the dissenting view is annexed to the minutes. The annexed document will also be signed by the Chairing Authority, and the Ministry Representative, if any.

Matters at the end of the Meeting

ARTICLE 14- (1) The Chairman will deliver an original copy of the Meeting minutes and other documents relating to the Meeting to a member of the board of directors. Such delivery will be evidenced by a written document.

(2) The board of directors are required to submit a notarized copy of the minutes to the Trade Registry for registration and announcement of the meeting minutes within fifteen days following the meeting.

(3) For Companies that need to establish web-sites, the Meeting minutes must be announced on the relevant Company web-site within fifteen days following the meeting.

(4) The Chairman further provides a copy of the list of attendees, the agenda and the Meeting minutes to the Ministry Representative in the event of his/her attendance.

Electronic Participation at the Meeting

ARTICLE 15- In case electronic participation at the Meeting is enabled as per the provisions of Article 1527 of the Law, the transactions by the board of directors and the Chairing Authority are undertaken in accordance with the said Article and the applicable legislation.

SECTION THREE Miscellaneous Provisions

Documents relating to the Participation of the Ministry Representative and the Meeting

ARTICLE 16 – (1) For Meetings that require the presence of a Ministry Representative, provisions of the "Regulation on the Procedures and Principles Relating to General Assembly Meetings and Ministry Representatives to Attend Such Meetings" with respect to the attendance of the Ministry Representative and the duty and authority of such Representative are reserved.

(2) The provisions of the said Regulation apply to those eligible to attend the Meeting, the preparation of the list of attendees, documents relating to the appointment of proxies and the meeting minutes.

Matters that are not foreseen in the Bylaws

ARTICLE 17 – Any matters that are not foreseen in the Bylaws shall be decided on by the shareholders at the Meeting to the extent such matters are not regulated herein.

Adoption of the Bylaws and Amendments Thereto

ARTICLE 18 – The Bylaws are implemented, registered and announced by the board of directors upon approval of the shareholders' general assembly of Pegasus Hava Tařımacılıđı Anonim Őirketi. Any amendments to the Bylaws must follow the same procedure.

Effective Date of the Bylaws

ARTICLE 19 – The Bylaws have been adopted at the shareholders' general assembly meeting of Pegasus Hava Tařımacılıđı Anonim Őirketi dated March 11, 2013 and become effective as of the date of publication in the Turkish Trade Registry Gazette.