

REGULATION ON OPERATIONS OF PAYMENT AND SECURITIES SETTLEMENT SYSTEMS

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SECTION ONE

Objective, Scope, Legal Basis and Definitions

Objective

ARTICLE 1- (1) The objective of this Regulation is to regulate the procedures and principles regarding operating license and operations of the payment and securities settlement systems' operators.

Scope

ARTICLE 2- (1) This Regulation shall apply to procedures and principles regarding the operating license, system contract and rules, persons responsible for the management, operating principles, collateral, credit and guarantee mechanisms, equities, notification obligations, acquisition and transfer of shares, information systems, business continuity plan, backup site and secondary systems and other issues of payment and securities settlement systems.

Legal basis

ARTICLE 3- (1) This Regulation has been prepared with respect to the second and third paragraphs of Article 4, the fifth paragraph of Article 5, the fourth paragraph of Article 22, the sixth paragraph of Article 25 and the third paragraph of Article 26 of the Law on Payment and Securities Settlement Systems, Payment Services and Electronic Money Institutions No. 6493 dated 20/06/2013.

Definitions

ARTICLE 4- (1) The following terms shall have the meanings indicated below:

- a) Bank: The Central Bank of the Republic of Turkey Joint Stock Company,
- b) Audit trail: Records that enable to follow a financial or operational transaction step by step from its beginning to its end,
- c) Fund: Banknotes, coins, bank money or electronic money,
- ç) Law: The Law on Payment and Securities Settlement Systems, Payment Services and Electronic Money Institutions No.6493 dated 20/06/2013,
- d) Participant: Legal person authorized to give a direct transfer order by participating in the system and obliged to comply with the system rules,
- e) Control: The power to appoint or dismiss the decision-making majority of the members of the board of directors through direct or indirect possession of the majority of a legal person's capital irrespective of the requirement of owning a minimum fifty-one per cent of its capital, or by having control over the majority of the voting right as a consequence of holding privileged shares, or via agreements with other shareholders or via any other means although not owning the majority of capital,

f) Securities settlement system: The structure that has common rules and provides the infrastructure required for the clearing and settlement transactions carried out in order to realize securities transfers arising from transfer orders among three or more participants,

g) Central counterparty: The entity that guarantees finalizing transactions by acting as seller against buyer and buyer against seller between the parties of financial contracts traded in one or more markets,

ğ) Settlement: Fulfillment of obligations arising from funds or securities transfers between two or more parties,

h) Settlement account: An account at the Bank, a settlement institution or a central counterparty used to hold funds or securities and to ensure the settlement of the transactions among the participants in a system,

ı) Settlement institution: The entity that holds a settlement account and can grant a loan to the participant for the purpose of settlement when necessary,

ı) Netting: The process of obtaining a single credit or liability position for a participant by offsetting credits or liabilities arising from the transfer orders sent and received by this participant,

j) Qualified shareholder: The natural or legal person who owns the shares that represent, directly or indirectly, ten percent or more of the capital or voting rights of the system operator or who grant the privilege to appoint members to the board of directors even though the rate is below ten per cent,

k) Payment system: The structure that has common rules and provides the infrastructure required for the clearing and settlement transactions carried out in order to realize fund transfers arising from transfer orders among three or more participants,

l) Privileged participant: Legal person who is determined by the system operator pursuant to the sixth paragraph of Article 8 and who can be subjected to different rules regarding conditions of participation in the system and system rules,

m) System: Payment system and securities settlement system,

n) System operator: Legal person responsible for the daily operations of the system and holds the required license for operating a system,

o) Clearing: Activities including transmitting the transfer orders sent to the system, mediating in the mutual reconciliation of these orders and in the provision process before settlement, in cases where such provision is required, and netting of these orders in some cases,

ö) Transfer order:

1) Participant order regarding the transfer of a certain amount of funds among the participants in the system,

2) Instruction, appropriate to the system rules resulting in the assumption or fulfillment of a payment obligation,

3) Participant order for the transfer of the rights on securities and other capital market instruments by means of a book entry or otherwise within the system.

p) Recovery plans: Plans which include corrective and remedial methods prepared by the system operator to use during cases in which the continuity of its critical functions is jeopardized, although the mechanisms constituted within the context of Article 23 are used,

because of its participants' or its own financial problems, liquidity shortages, issues concerning capital requirements or structural weaknesses.

SECTION TWO

System Definition, System Contract and System Rules

Scope of the system definition

ARTICLE 5- (1) In order to be considered as a system within the scope of this Regulation, a structure shall have three participants at a minimum and shall perform at least one of the clearing and settlement activities regarding transactions among participants.

(2) Bilateral structures established by two institutions that operate in financial markets among themselves, structures which only provide messaging services among members but do not engage in any clearing or settlement activity regarding transactions within those messages and structures that an institution establishes within itself to conduct funds or securities transfer transactions on behalf of itself or of its clients shall not be considered as a system within the scope of this Regulation.

(3) The Bank is authorized to make the final decision on whether a structure is considered as a system or not within the scope of this Regulation.

System contract

ARTICLE 6- (1) The system contract between the system operator and the system participants, which determines the rights and obligations of parties and which has the approval of the Bank, shall be drawn up in written form.

(2) The system contract regulated in the first paragraph shall be drawn up as a monotype with all participants except privileged participants.

(3) The system operator shall ensure that the participant candidate is informed about the participant- related parts of the system rules which are prepared pursuant to Article 7 of this Regulation, before the system contract stated in the first paragraph is concluded.

System rules

ARTICLE 7- (1) System rules shall be determined by the system operator in written form and implemented to all participants in a fair and equal manner. The system operator and participants are obliged to comply with the provisions in the system rules.

(2) The following issues shall be clearly determined and stated within the system rules;

- a) The system operator's identity and open address,
- b) Rules and procedures regarding participation in and exit or dismissal from the system,
- c) Minimum technical, fiscal and administrative requirements regarding the participation in the system,
- ç) Methods to be used for clearing or settlement of the transactions in the system and principles regarding the implementation of these methods,
- d) The institution at which the settlement account, that will be used to execute the settlement of the transactions in the system, will be held and characteristics and working principles of this account,

- e) Operating days and hours of the system,
- f) The moment when the transfer order enters into the system and the moment when it becomes irrevocable,
- g) Content, format and delivery methods of the messages concerning the transfer orders,
- ğ) Transaction types that will be carried out in the system and asset types subject to these transactions,
- h) Currencies with which transactions can be realized in the system,
- ı) Methods to be used to ensure the security of the information in the system,
- İ) Business continuity plan and contingency rules,
- j) Pricing principles of the system,
- k) Penalties that will be imposed on system participants in case of a violation of system rules and actions and procedures related to the implementation of these penalties,
- l) Participation options in the system and rules and procedures to which participants are subject for each participation option,
- m) Whether or not the receiving participant can refuse a transfer order entered into the system and procedures related to the implementation of the refusal option,
- n) Collateral, credit and guarantee mechanisms that can be established pursuant to Article 23 to be used in case of a failure to fulfill obligations on time,
- o) Principles and procedures regarding the securities and asset types acceptable to the collateral, credit and guarantee mechanisms established pursuant to Article 23, the method of calculating the required contribution amounts of system participants in these mechanisms, use of these contributions for investment reasons and other issues regarding these mechanisms,
- ö) In case of their existence, procedures regarding the inter-link with other systems established pursuant to Article 12,
- p) In case of their existence, procedures regarding the out-of-court methods to resolve conflicts between the system operator and the participants,
- r) Recovery plans regarding the system,
- s) Rules concerning correction and revocation of incorrect transactions in the system,
- ş) Other issues regarding the system's operations.

(3) The system operator is authorized to change the system rules.

(4) Structural changes to be made in the system rules are subject to the Bank's approval; changes which are not approved cannot be implemented. The Bank shall be notified of changes in the system rules which are not structural within five business days. The Bank is authorized to request correction or cancellation of the changes notified.

(5) Structural changes to be made by the system operator shall be announced to system participants at least 15 days before the change came into force, other changes shall be announced to system participants in a reasonable time.

(6) The Bank may request creation of separate documents regarding issues identified in the second paragraph during the preparation of the system rules.

Participation in the system

ARTICLE 8- (1) System participation rules shall be explicitly and clearly identified by the system operator and system rules which do not prejudice information security shall be released to the public on the website of the system operator. When information security requires, participation rules requiring confidentiality shall be given in return for a nondisclosure agreement signed by the participant candidate.

(2) Rules of participation in the system shall be determined reasonably and impartially. The system operator is obliged to allow all legal persons, which satisfy the conditions within the rules of participation, to participate in the system.

(3) The system operator shall recognize mitigation of risks arising from the system and stability of the system while determining system participation rules.

(4) Amendments made in the system participation rules and approved by the Bank shall be announced to the system participants at least thirty days before entering into force, as an exception to the fifth paragraph of Article 7, and shall be released to the public on the website built pursuant to Article 20 of this Regulation.

(5) System participants are obliged to comply with the changes made in the system participation rules. The system operator shall temporarily or permanently suspend the membership of system participants who do not comply with the changes made.

(6) On the condition of Bank approval, the system operator may define a privileged participant and determine special participation rules and procedures for the relevant participant.

(7) When the system operator identifies deficiency of any information or documents required for the system participation application, the system operator shall inform the applicant about the situation without any delay and shall ask the applicant to correct the deficiency in a reasonable time. The system operator shall finalize the applications concerning participation in the system within three months following the delivery of the information and documents requested for the application without any deficiency and shall notify the relevant parties of the decision.

SECTION THREE

Operating License and the Persons Responsible for Administration of the System Operator

Operating license

ARTICLE 9- (1) An institution which intends to function as a system operator is obliged to get an operating license from the Bank to be able to be established and operate the system.

(2) The applicant institution shall be asked to meet the requirements in the second paragraph of Article 5 of the Law in order to be given an operating license.

(3) The applicant institution is obliged to attach the following documents to the application to get an operating license from the Bank:

a) Detailed feasibility report which analyses the expected profit from the activities of the system and a budget plan including an estimated balance sheet and income tables which present three-year targets after going into operation,

- b) Business plans including how internal control is performed and the risk management framework and the activity program showing the organizational structure of the system operator and distribution of tasks and authority in organizational structure,
- c) Declarations prepared by qualified shareholders in compliance with the samples in Annex-1 or Annex-2 and signed in the presence of a notary public,
- ç) Report about the fiscal situation of qualified shareholders prepared by the auditors authorized by the Public Oversight Accounting and Auditing Standards Authority,
- d) Documents presenting the identity information of qualified shareholders and their detailed resumes,
- e) Documents, arranged by relevant banks addressed to the Bank with the same date, about deposit and credit accounts declared by qualified shareholders and showing that there was no active account activity by the date of issuance,
- f) Documents to be received from the Commercial Courts of First Instance stating that the qualified shareholders are not bankrupt, no ruling for postponement of bankruptcy has been given about them, restructuring applications through reconciliation of legal persons have not been endorsed and documents to be received from Execution Courts showing that they have not declared concordatum,
- g) Criminal records with the archive records obtained by natural persons qualified shareholders in the last six months,
- ğ) Documents to be received from the relevant tax offices and the Social Security Institution showing that the qualified shareholders currently have no overdue tax and premium debts,
- h) Documents obtained from Trade Registry Directorship in the last one month showing that the system operator is registered in the Trade Registry, notarized copies of the list of the signatures of the people authorized to represent the applicant institution and the prime contract of the organization,
- ı) Document showing that the applicant institution owns the capital stated in subparagraph (b) of the second paragraph of Article 5 of the Law,
- i) If the applicant institution is a participant of another payment system, a document regarding this,
- j) If the applicant institution plans to use an outsourcing service provider for its main activities, an explanation including in which area and for which purpose the outsourcing service provider will be used,
- k) The identity information and detailed resumes of persons responsible for the administration and documents showing that they fulfill the qualifications in the second paragraph of Article 10,
- l) Copies of decisions of authorized organs of legal persons on becoming a shareholder of the applicant institution,
- m) Written statements of qualified shareholders prepared in compliance with the sample in Annex-3, showing that they are not qualified shareholders of banks, bankers, insurance companies, agencies operating in money and capital markets which are subject to liquidation, or of banks transferred to the Savings Deposit and Insurance Fund before the transfer, and documents obtained from the relevant institution concerning these matters,
- n) System rules and system participation rules with relevant detailed explanations,
- o) In case there will be privileged participants in the system, an explanation regarding why they are assessed within this scope,
- ö) Detailed documents showing the technical infrastructure and information systems of the system, and the measures taken for information security and reliability, and business continuity,

p) Last three years' consolidated financial tables of legal person qualified shareholders and the capital group to which they belong, if any, in accordance with international accounting standards and certified by an internationally accepted independent auditing company,

r) Tables showing the shareholders and the share ratios of legal person shareholders of legal person qualified shareholders and of legal persons holding shares in capitals of those shareholders, until reaching the natural persons, to ensure the determination of indirect shareholdings in capital,

s) Copies of procuration documents given to a person or persons authorized to represent the qualified shareholders,

ş) Commitment letters which are prepared in compliance with the sample in Annex-4 and signed by qualified shareholders, showing that they meet the required resource as a result of their own commercial, industrial and other legal activities and in a way free from all kinds of collusions,

t) Reports, if any, prepared for legal person qualified shareholders by one of the rating agencies.

(4) When none of the shareholders of the institution who applied for functioning as a system operator in Turkey, fulfills the qualifications required to be assessed as qualified shareholder pursuant to this Regulation, all information and documents required pursuant to this Article will be requested from the five shareholders with the biggest shares.

(5) In case any change affects the validity of information and documents stated in the third paragraph, the system operator shall inform the Bank about this issue without any delay.

(6) Provisions of this Article shall be implemented for information and documents that should be presented by foreign persons as well. When implementing provisions of this Article for foreign persons, information and documents in the third paragraph, as appropriate as possible, shall be approved by competent authorities of the relevant country and embassy or consulate of Turkey in this country or according to "The Hague Convention Abolishing the Requirement for Legalization for Foreign Public Documents" drafted by the Hague Conference on Private International Law. The notarized translations shall be submitted with original documents during the implementation of this paragraph.

(7) The system operator is obliged to get approval of the Bank in case it intends to establish a new system or plans to make structural changes in its current system after it obtained an operating license.

(8) The following documents regarding the new system or structural changes in the current system shall be attached to the application made by the system operator to the Bank pursuant to the seventh paragraph:

a) A detailed feasibility report analyzing the expected benefits, potential additional costs and the ways to meet these costs,

b) Business plans and an activity program which indicate how internal control, risk management framework, organizational structure and distribution of tasks and authorities will change in the organizational structure,

c) If the system operator plans to use an outsourcing service provider, an explanation including in which area and for which purpose the outsourcing service provider will be used

ç) A detailed explanation regarding changes in the system rules and participation in the system,

d) A detailed explanation regarding changes about privileged participants, if any,

e) Detailed documents showing changes to be made in the technical infrastructure, information systems, security and reliability of information and precautions about the business continuity.

(9) In case the application made by the system operator pursuant to the seventh paragraph is not approved by the Bank, the system operator shall not establish a new system or shall not make structural changes in the current system.

(10) During the application for an operating license, in case the applicant institution requests for operating more than one system, the following documents shall be submitted separately for each system:

a) A detailed feasibility report analyzing the expected benefit, potential costs and the ways to meet these costs,

b) Business plans which indicate how internal control and risk management will be conducted and an activity plan which shows how the bodies related to each system are placed within organizational structure,

c) If the system operator plans to use an outsourcing service provider, an explanation including in which area and for which purpose the outsourcing service provider will be used

ç) Explanations and documents stated in sub-paragraphs (n), (o) and (ö) of the third paragraph.

(11) The Bank is authorized to request information and documents which are specified in this Article to be presented with a different context and contents, as well as to ask for additional information and documents which are seen necessary by the Bank with regard to the implementation of this Article.

(12) The application for an operating license to be a system operator pursuant to the provisions of the Law and this Regulation shall be finalized by the Bank within six months following the delivery of all of the information and documents requested for the application without any deficiency. Provisions of this paragraph shall be implemented also for the applications made pursuant to the seventh paragraph.

(13) When the Bank identifies a deficiency in any information or documents required for the license application, it shall inform the applicant about the situation without any delay and shall ask the applicant to correct the deficiency in a reasonable time that the Bank determines. If the deficiency is not corrected within the time determined by the Bank, application shall be regarded as never made. In case these persons reapply for an operating license, the process regarding the operating license shall restart.

(14) Provisions of Article 13 of the Regulation on the Operations of Banks Subject To Permission and Indirect Shareholding published by the Banking Regulation and Supervision Agency in the Official Gazette No 26333, dated 1/11/2006, shall be implemented mutatis mutandis for the determination of indirect shareholding during implementation of this Regulation.

(15) In case that the subject of activity of the applicant institution is under the scope of Capital Market Law No. 6362, dated 6/12/2012, the Bank shall share information with the Capital Market Board regarding the operating license application. The Capital Market Board shall share information with the Bank regarding applications made to the Capital Market Board, in case the applicant institution is a system operator.

(16) In case that the subject of activity of the applicant institution is under the scope of Banking Law No. 5411, dated 19/10/2005 or Bank Cards and Credit Cards Law No. 5464, dated 23/2/2006, the Bank shall share information with the Banking Regulation and Supervision Agency regarding the operating license application. The Banking Regulation and Supervision Agency shall share information with the Bank regarding applications made to the

Banking Regulation and Supervision Agency, in case the applicant institution is a system operator.

Persons responsible for the management of the system operator

ARTICLE 10- (1) The decision on which positions that are responsible for the management of the system operator will be subject to this Article shall be determined by the Bank in accordance with the organizational structure of the system operator.

(2) Persons responsible for the management of the system operator shall,

a) Meet the requirements set in sub-paragraphs (a), (b), (c) and (d) of the first paragraph of Article 8 of the Banking Law No. 5411,

b) Not be one of the persons who have been liable for a penal occasion in the institution's operating license which has been revoked by the Bank or who have been imposed sanctions described in sub-paragraphs (b) and (c) of the first paragraph of Article 8 of the Banking Law No. 5411,

c) Have a bachelor's degree and have information and experience in the disciplines of finance, economics, banking, informatics or payment and securities settlement systems.

(3) Persons who do not meet the conditions set in this Article shall not be appointed to any title responsible for the management of the system operator. The persons responsible for the management of the system operator who can no longer meet the conditions required by this Article shall be removed from their position by the system operator. The system operator is obliged to monitor that persons responsible for its management meet the requirements indicated herein.

(4) Activities regarding the appointment and dismissal of persons responsible for the management shall be notified to the Bank within five working days, after realization of this activity.

SECTION FOUR

Operation Procedures and Principles

Operation principles of the system operator

ARTICLE 11- (1) In order to ensure uninterrupted, secure, effective and efficient functioning of the system during its operations, the system operator shall,

a) Establish the required information systems and technological infrastructure pursuant to Article 24 and take measures concerning the security of these systems and infrastructure,

b) Have the required information, documentary and accounting record systems and sufficient infrastructure that provides steady workflow and communication,

c) Create clear and detailed audit trails related to records of transactions in the system and transactions causing changes in these records,

ç) Have sufficient and qualified staff and equity,

d) Have functional task distribution in a way that enables prevention of incidents which may occur in the system such as fault, fraud, conflict of interest, information manipulation and misuse of resources, and when such incidents occur, clear identification of responsible staff and shall determine authorities and responsibilities of all departments, managing bodies and personnel within the system clearly and in written form,

e) Establish a sufficient and efficient internal control system to monitor whether the system is working consistently with the Law, other regulations, and rules, procedures and practices peculiar to the system,

f) Regularly monitor transactions of system participants and their compliance with system rules, take precautions required for smooth and uninterrupted realization of the clearing and settlement operations, monitor the points that participants should fulfill for the compliance of the system with the obligations arising from the Law and other relevant legislations, limit or temporarily suspend the transactions of the participants not meeting these obligations or dismiss these participants from the system,

g) Abstain from activities that may endanger smooth realization of clearing and settlement transactions,

ğ) Work in cooperation with the system participants and establish proper platforms by which participants may express their complaints and suggestions,

h) Have an efficient risk management framework established pursuant to Article 22,

1) Prepare recovery plans,

i) Establish backup center and systems which will come into effect when a problem occurs pursuant to Article 25, and shall develop a business continuity plan.

(2) The system operator shall be liable for work produced by its employees during the execution of their assigned jobs.

Links with other systems

ARTICLE 12-(1) The system operator may establish direct or indirect links with other systems which are domestic or established abroad.

(2) The system operator shall consider risks which could arise from interlinked systems and shall take precautions for managing these risks effectively.

(3) In order to establish direct or indirect links with other systems, the system operator shall obtain approval of the Bank. If the Bank reaches the conclusion that the links with other systems negatively affect the smooth functioning of the system, it shall not permit the system operator to establish links with other systems.

(4) In consequence of its oversight activities, if the Bank reaches the conclusion that links with other systems negatively affect the smooth functioning of the system, it shall request the system operator to take necessary precautions, and if necessary precautions are not taken within a determined time, it shall request the finalization of these links.

Financial reporting

ARTICLE 13- (1) The accounting of the activities of the system operator shall be made according to the accounting standards published by the Public Oversight, Accounting and Auditing Standards Authority, unless otherwise indicated in specific legislation.

(2) The system operator shall timely, completely and accurately prepare the financial tables and reports according to the accounting and financial reporting standards published by the Public Oversight, Accounting and Auditing Standards Authority, and shall share them with the Bank.

(3) The Bank may claim, if needed, additional requirements to the standards published by the Public Oversight, Accounting and Auditing Standards Authority on accounting the activities of the system operator and on preparing related financial statements and reports.

(4) The Bank may claim from the system operator to deliver the accounting information on the activities related to the operations of the system separately from the accounting information on other activities, if the system operator performs other activities pursuant to Article 17.

Equity

ARTICLE 14- (1) Equity of the system operator shall not fall under the level stated in subparagraph (b) of the second paragraph of Article 5 of the Law as long as it continues to operate.

(2) The Bank is authorized to request the system operator to hold additional equity as long as it operates, considering operations realized and risks undertaken by the system operator.

(3) The Bank is authorized to establish additional procedures and principles regarding the equity of the system operator if needed.

Transfer of activities and assets related to the system

ARTICLE 15- (1) For transfer of activities related to the system that are conducted by the system operator to another system operator the approval of the Bank shall be received.

(2) The Bank shall take into account the issues such as uninterrupted, effective, safe and efficient maintenance of activities and financial stability during assessing the transfer of activities and assets related to the system to another system.

(3) The system operator can also transfer assets of system participants to another system operator with the approval of those participants, during transferring its activities pursuant to the first paragraph.

Outsourcing

ARTICLE 16- (1) The system operator shall inform the Bank about its purchase of an outsourcing service, in case of planning to outsource its main activities related to the system.

(2) In case of purchasing an outsourcing service for its main activities pursuant to paragraph 1, the system operator shall:

- a) Pay appropriate level of attention to the choice of the outsourcing service provider,
- b) Purchase the outsourcing service in a way that does not lower the quality of internal control and risk management framework and reduce the effectiveness of the Bank's oversight activities,
- c) Organize issues regarding the outsourcing service by taking the business continuity plan into consideration as well,
- ç) Clarify the obligations of the outsourcing service provider with a contract,
- d) Consider additional risks arising from the purchase of an outsourcing service and take necessary measures to manage these risks,
- e) Take necessary precautions regarding the confidentiality and security of data regarding the transactions in the system and the participants.

(3) In case the system operator chooses to purchase an outsourcing service for its main activities regarding the system, the following rules shall be valid:

- a) Responsibility of the persons responsible for the management of the system operator shall continue.

- b) The system operator's obligations to participants shall continue.
- c) The conditions with which the system operator shall comply to obtain and maintain operating license with respect to the Law and this Regulation shall not change.
- 4) The system operator shall be responsible for the activities of the outsourcing service provider with regards to the outsourced operations.
- 5) The Bank has the authority to request the system operator to end the purchase of the outsourcing service, in case reaching a conclusion that the outsourcing service negatively affects the smooth functioning of the system or the outsourcing service provider obstructs the oversight activities of the Bank.

Other activities of the system operator

ARTICLE 17 - (1) The system operator may conduct other activities that are indirectly related to the operation of the system or activities that are not essentially connected with the operation of the system, but that develop, secure and facilitate the activities of the system participants, or other activities assigned to the system operator by the legislation.

(2) The system operator can operate pursuant to this Article, provided that these activities are approved and included within the scope of its operating license by the Bank.

3) The Bank may impose an obligation for the system operator to provide additional capital in order to be able to operate according to this Article.

(4) The system operator shall take into account the risks that may arise from other activities to be conducted in accordance with this Article and shall take necessary measures to manage these risks effectively.

(5) If the Bank concludes that the other activities performed by the system operator pursuant to this Article disrupt the smooth operation of the system, it is authorized to request from the system operator to terminate these activities or, in the case that these activities are assigned to the system operator by a separate Law, to perform these activities under a separate legal person.

Obligation to notify the Bank

ARTICLE 18- (1) The system operator shall notify the Bank of the system participants. In case of any change in these notifications, it shall notify the Bank without delay of any subsequent change concerning those participants, too.

(2) In case the system operator obtains any information about the system participants that may disrupt the smooth operation of the system, it shall notify the Bank without delay.

(3) The system operator shall promptly notify the Bank about situations which disrupt the regular operation of the system and cause interruptions or prevent the closure of the system.

(4) The Bank is authorized to request all kinds of information, documents and records related to the system participants from the system operator to whom the system participants are required to provide them. The system operator is obliged to provide all information, documents and records requested by the Bank pursuant to this paragraph.

(5) The system operator shall promptly notify the Bank about any change which may affect the accuracy and validity of information, documents and records required by the Bank.

Notification pertaining to enforcement of Article 10 of the Law

ARTICLE 19- (1) In case any event about the system participants occurs that prompts enforcement of provisions of Article 10 of the Law, the system participant shall promptly notify the system operator about this event.

(2) In case any event occurs that prompts enforcement of provisions of Article 10 of the Law, the system operator shall forthwith inform the Bank about this situation.

(3) After the notification made by the system operator pursuant to the second paragraph of this Article, the system operator shall determine the assets and transactions to which the provisions of Article 10 of the Law will be applied and promptly notify the Bank about them.

(4) After conclusion of the transactions pertaining to the measure or decision that prompts enforcement of the provisions of Article 10 of the Law, the system operator shall promptly send a detailed report to the Bank that includes all developments that occurred starting from the moment of getting written notice pertaining to this precaution or decision to the conclusion of transactions.

Website, transparency and information to be published

ARTICLE 20- (1) The system operator is required to have a website that enables sharing information with public about the system that is compulsory in accordance with transparency principle and information society.

(2) The system operator shall publish its financial statements and reports, pricing principles, statistical data regarding the transactions executed in the system, organizational structure, operating principles of the system, rule of participation in the system without prejudice to information security and a list of participants on its website and keep all this information up to date.

(3) Besides the provisions laid down in paragraph 2 of this Article, the Bank may require the system operator to publish additional information and documents on its website.

Confidentiality and secrecy obligation

ARTICLE 21- (1) The system operator shall take necessary measures regarding the confidentiality and security of the information of the transactions that are conducted within the system.

(2) Administrative staff of the system operator and other personnel as well as employees of the outsourcing institutions are obliged to maintain the confidentiality of the information that they acquire as part of their titles and duties when they leave the job, not to disclose it to anybody other than those who are clearly assigned and authorized by Law, and shall not use such information for their own benefit or to the detriment or benefit of third parties.

SECTION FIVE

Provisions on Risk Management

Risk management framework

ARTICLE 22- (1) The system operator shall have a risk management framework that effectively identifies, measures, monitors and manages all the risks which may endanger the smooth operation of the system and arise from the system operator's clearing and settlement activities, and other activities carried out pursuant to Article 17, activities of the system participants and indirect participants, interconnections with other systems, activities of outsourcing institutions, and other matters related to the operation of the system.

(2) The risk management framework shall enable the system participants to monitor the risks they incur through participation in the system and those they impose on the system, and to manage these risks effectively.

(3) The risk management framework to be established pursuant to the first and second paragraphs of this Article shall take into account all the risks which may endanger the smooth operation of the system, such as credit risk, liquidity risk, legal risk and operational risk.

(4) The system operator shall constitute the rules, procedures and policies relating to the risk management framework and changes to be made in writing and share those with all parties concerned.

(5) The system operator shall ensure that the risk management framework is up to date and compatible with the attributes laid down in the first, second and third paragraphs of this Article.

Collateral, guarantee and credit mechanisms

ARTICLE 23- (1) The system operator may require a system participant to pledge collateral to be used in the event of its default.

(2) The system operator may constitute a special credit mechanism to be used in case the system participants confront a liquidity shortage.

(3) The system operator may constitute a special guarantee mechanism which is dedicated to the system, to be used in case the transactions in the system cannot be completed for any reason.

(4) The procedures and principles of collateral, credit and guarantee mechanisms set out in accordance with this Article shall clearly be defined in the system rules and take effect upon approval of the Bank.

(5) The system operator shall clearly define in the system rules implementation priorities of the collateral, guarantee and credit mechanisms established pursuant to this Article.

(6) The Bank may request the system operator to constitute collateral, guarantee and credit mechanisms pursuant to this Article or to modify existing mechanisms.

(7) Provided that the mechanisms stated in the first, second and third paragraphs of this Article are inadequate to complete the transactions in the system, they are clearly stated in the system's contract and on condition that the loss of the system participant whose collateral is used pursuant to this paragraph is not more than the situation that this paragraph does not take effect; the amount determined by the system operator of collateral pledged pursuant to the first paragraph of this Article of the participant may be used for the purpose of fulfilling the obligation of the defaulting participant by means of undertaking the liability of that participant. The amount of additional liability that the participant undertakes within the scope of this paragraph cannot exceed its collateral pledged pursuant to the first paragraph of this Article.

(8) While implementing the provisions in the seventh paragraph of this Article, the system operator shall take into consideration of the financial condition of the system participant whose assets will be used to fulfil the obligation of the defaulting participant.

(9) Without prejudice to the provisions of the seventh, tenth and thirteenth paragraphs of this Article, the assets provided by the system participants to the mechanisms that are constituted pursuant to this Article cannot be used for another purpose.

(10) In case of investing in the liquid assets which are provided by the system participants to the mechanisms that are constituted pursuant to this Article, in an interest bearing instrument to make a profit, the system operator can utilise these assets by means of investing in financial instruments that have low risk and high liquidity. It is mandatory to get

approval from the Bank for the financial instruments in which the system operator can be invested.

(11) The collaterals pledged and the assets provided to the guarantee mechanism by the system participants pursuant to this Article shall be kept separate from the participants' other assets in the system and from the system operator's own assets.

(12) The system operator shall pay attention to the assets accepted from the participants pursuant to this Article for having low credit, liquidity and market risks, update the valuation of the non-cash assets and discount rates in parallel with the developments in financial markets and establish an effective system for managing and monitoring these assets.

(13) In case the transactions in the system cannot be finalized and the system operator has access to the liquidity facilities of the Bank or an opportunity to benefit from the liquidity facilities of a financial institution that provides liquidity against collateral, the assets provided by the participants pursuant to this Article can be pledged as collateral to the Bank or to the financial institution that provides a credit facility by the system operator for the purpose of benefiting from the liquidity facility within the scope of this paragraph provided that it obeys the rules of these institutions regarding collaterals. To implement the provisions in this paragraph, the system operator shall be obliged to obtain necessary legal permissions regarding the assets that will be transferred.

(14) In case the assets provided by the system participants pursuant to this Article are used fully or partially, the system operator shall constitute the rules and procedures for the replacement of used assets by taking into consideration the market conditions and the financial situation of the participants.

Information systems

ARTICLE 24- (1) The system operator shall design information systems in such a way that activities performed and services provided are maintained smoothly.

(2) Information systems are required to be compatible with the properties of activities performed and services presented and the scale of transactions to be conducted.

(3) While designing information systems, attention shall be paid to establishing a structure that enables all information to be stored and used safely in an electronic environment. The system operator shall take control measures enabling confidentiality, integrity and accessibility of information systems as well as the data in these systems.

(4) The system operator is responsible for ensuring the security and reliability of the information systems, for detecting, monitoring, and managing the risks stemming from the information systems and constitute security controls concerning these risks, for conducting stress tests and performance tests to measure resistance and the actual capacity of the information systems and other related issues, for updating information systems and making necessary changes.

(5) The system operator is obliged to monitor the incidents concerning an information security violation and to assess them periodically.

(6) Information systems of the system operator are required to be established within the country. In case the system operator procures outsourcing services regarding its information systems that are used for its operations, information systems and also backups of these systems used by the outsourcing institution to conduct pertinent operations are also required to be established in Turkey.

(7) The system operator is obliged to set up the components concerning information systems management in an appropriate place within the organizational structure and to

allocate required financial and human resources to conduct effective management of the information systems.

(8) The system operator should have clearly identified physical and information security policies.

(9) The Bank is authorized to determine the procedures and principles to which the system operator is required to observe with communiqués, circulars and mandates to be issued regarding the information systems.

Backup site, secondary systems and business continuity plan

ARTICLE 25- (1) The system operator is required to establish secondary systems to ensure uninterrupted operation of its activities and to periodically test the secondary systems. Due attention shall be paid to design the secondary systems in such a way that the problems that may occur in primary systems during emergencies and unexpected events do not occur in secondary systems at the same time.

(2) The system operator is obliged to constitute a duplicate data center to prevent data loss as a consequence of emergency situations and contingencies. The duplicate data center shall be designed by considering the risk of unauthorized access to data and shall contain at least as many security features as those in primary systems.

(3) The system operator shall establish a backup site in a different location apart from the primary site in order to ensure maintaining uninterrupted operations when the primary site becomes unavailable because of emergency situations and contingencies; determine emergency staff who will take charge during the incidents as well as their tasks and take necessary precautions; thus, emergency staff can work at the backup site. The backup site shall be designed in such a way that emergency staff is able to use secondary systems and the duplicate data center effectively.

(4) The backup site, secondary systems and duplicate data center shall be located domestically. The premises of the backup site, secondary systems and duplicate data center shall be determined in such a way that backups are not affected by emergency situations and contingencies at the same time and to the same extent as the primary site.

(5) The system operator is obliged to create the business continuity plan which includes scenarios describing emergency situations and contingencies that may have a negative impact on the uninterrupted operation of the system as well as issues regarding the recovery of disruptions which can occur in the system as a result of the realization of these scenarios within a reasonable period of time and without data loss, and to test these scenarios periodically.

(6) When developing the business continuity plan, actions to be taken in case of emergency situations and contingencies about the issues that are closely related to the operation of the system such as the network and communication infrastructure, primary and secondary systems, critical resources including staff, critical activities, actions to be taken by the participants and procurement of outsourcing services shall be determined.

(7) Establishing mechanisms that will inform all relevant parties immediately about emergency situations and contingencies and their magnitude, and will determine the affected participants and magnitude of the damage, is an integral part of the business continuity plan.

(8) The business continuity plan shall be prepared in writing and its relevant parts shall be shared with participants.

(9) The system operator shall notify the system participants in writing about mandatory requirements to be met within the scope of the business continuity plan. System

participants are obliged to fulfill those requirements communicated by the system operator pursuant to this paragraph.

(10) In case of using outsourcing institutions regarding the backup site, secondary systems or duplicate data center, the system operator shall include these institutions in the tests related to business continuity plan.

Emergency contact persons

ARTICLE 26- (1) The system operator shall determine emergency contact persons whom the Bank can contact with the system operator in emergency situations.

(2) At least one permanent and one alternate staff shall be appointed as the emergency contact person pursuant to the first paragraph of this Article.

(3) Emergency contacts must be chosen among those appointed pursuant to this Article, and will be responsible for the management of the system operators, who are determined according to the first paragraph of Article 10.

(4) The bank shall be notified of the identities and contact information as well as titles of emergency contact persons who are determined pursuant to this Article.

(5) The Bank may request from the system operator an additional emergency contact person or to change the existing contacts.

(6) The system operator shall immediately notify the Bank about changes with regard to emergency contact persons.

SECTION SIX

Acquisition and Transfer of Shares

Acquisition and transfer of shares

ARTICLE 27- (1) Any acquisition of shares that result in the acquisition by one person directly or indirectly of shares representing ten percent or more of the capital of a system operator or if shares held directly or indirectly by one shareholder exceed ten percent, twenty percent, thirty-three percent or fifty percent of the capital as a result thereof, and assignments of shares that result in shares held by one shareholder falling below these percentages, shall require the permission of the Bank.

(2) Assignment and transfer of preferential shares with the right to promote a member to the board of directors or audit committee of the system operator or issue new shares with privilege shall be subject to the Bank's permission regardless of the ratios set in the first paragraph.

(3) Transfer of shares resulting from changing the control of the legal persons having ten percent or more of the capital of the system operator shall be subject to permission of the Bank.

(4) The person who takes over the shares pursuant to this Article in the share transfers subject to the permission shall bear the qualifications required for the founders of the banks pursuant to Banking Law No. 5411.

(5) A copy of the contract of acquisition or transfer of shares shall be attached to the application submitted to the Bank pursuant to the first, the second and the third paragraphs of this Article regarding share acquisition and transfers. Information and documents required concerning the persons who acquire or transfer the shares during the application phase for the operating license for the qualified shareholders and the persons responsible for the management of the system operator pursuant to the third paragraph of Article 9 shall be

attached to the application mutatis mutandis and submitted to the Bank pursuant to this paragraph.

(6) The Bank is authorized to request the information and documents defined in this Article with different scopes and contents as well as the additional information and documents required for the implementation of this Article, if deemed necessary.

(7) The Bank shall be notified by relevant parties of transfers of shares which are out of the scope of the first, the second and the third paragraphs of this Article within five workdays as of the date of the transfer of share.

(8) Transactions relating to share transfers that are not authorized by the Bank are invalid. The transfers disregarding this provision cannot be recorded in the book of shares and these records shall be considered invalid.

(9) The system operator is required to have the Bank's permission to set up a partnership with a system established abroad, to participate in existing joint undertakings relating to the systems which are established abroad, to take over a system established abroad completely or to establish a new system abroad.

SECTION SEVEN

Other Provisions

Cooperation among institutions

ARTICLE 28- (1) Developments regarding the system operator and system participants to be notified to Banking Regulation and Supervision Agency and Capital Markets Board in accordance with the relevant legislations or detected by themselves, and that may disrupt smooth operation of the system, shall be shared with the Bank by these authorities.

(2) The Bank shall share developments which are notified to the Bank pursuant to the legislations or which are detected by the Bank, itself, and that can disrupt smooth functioning of the system with competent authorities. Among these developments, the Bank shall share those that may disrupt the smooth operation of the institutions operating under the scope of Law No.5411 or Law No.5464 with the Banking Regulation and Supervision Agency and those that may have a negative impact on the smooth operation of institutions operating under the scope of Law No.6362 with the Capital Market Board.

Registry and announcement

ARTICLE 29- (1) The Bank shall constitute a list of the system operators to whom operating license were granted by the Bank, publish this list on its own website and keep this list up to date.

(2) The Bank shall publish the decision for granting an operating license pursuant to Article 5 and Article 6 of the Law and Article 9 of this Regulation in the Official Gazette.

(3) The Bank shall publish the termination of the system operator's operating license in the Official Gazette, after notifying the system operator about the situations defined in the first paragraph of Article 7 of the Law or following the Bank's detection of these situations.

(4) The Bank shall publish the decision regarding the precautions to be implemented to the system operator pursuant to sub paragraph (ç) and (d) of the second paragraph of Article 9 of the Law in the Official Gazette and make a statement in the list constituted pursuant to the first paragraph of this Article about the features of the precautions that shall be applied.

Implementation principals

ARTICLE 30 - (1) The Bank is authorized to construe the provisions of this Regulation, to make a decision about the issues which are not mentioned or not explicit in this Regulation by taking into account the general provisions, to publish communiques, circulars and mandates to regulate and to direct the implementation.

Exemptions

ARTICLE 31- (1) Provisions of Articles 13, 14, 15, 26 and 27 of this Regulation shall not apply to the legal person stated in the third paragraph of Article 5 of the Law.

(2) Provisions of Articles 10, 13, 14, 15, 16, 17, 18, 26 and 27 and sub-paragraph (r) of the second paragraph and the fourth paragraph of Article 7, the sixth paragraph of Article 8, sub-paragraph (i) of the first paragraph of Article 11, the third and the fourth paragraphs of Article 12, the second, the third and the fourth paragraphs of Article 19, and the fourth and the tenth paragraphs of Article 23 of this Regulation shall not apply to the systems stated in the sixth paragraph of Article 5 of the Law.

(3) The provision of publishing financial tables and reports pursuant to the second paragraph of Article 20 shall not apply to the systems stated in the third and sixth paragraphs of Article 5 of the Law.

(4) (a) and (l) sub-paragraphs of the third paragraph of Article 9 shall not apply to the systems that are already operating on the date on which this Regulation takes effect.

SECTION EIGHT

Final Provisions

Transitional provisions

PROVISIONAL ARTICLE 1- (1) The system operators operating as of the date that this Regulation enters into force are obliged to adapt their systems to the Law and this Regulation and obtain required permissions by applying to the Bank within a period of one year.

(2) In case the institutions that are obliged to obtain an operating license within a time period specified in the first paragraph of this Article do not obtain an operating license, they shall not operate under the scope of the Law and this Regulation.

Enforcement

ARTICLE 32- (1) This Regulation shall enter into force as of the publication date.

Execution

ARTICLE 33- (1) The provisions of this Regulation shall be enforced by the Governor of the Central Bank of the Republic of Turkey.

**ANNEX- 1
 DECLARATION ON QUALIFIED SHAREHOLDERS OF SYSTEM OPERATORS /
 SHARE TRANSFEREES
 (LEGAL PERSONS)**

OF THE LEGAL PERSON							
TITLE							
HEAD OFFICE AND DATE OF ESTABLISHMENT							
CAPITAL (In Detail)							
ADDRESS							
FIELD OF OPERATION							
TAX ID NUMBER (TIN)							
SOME BALANCE SHEET HIGHLIGHTS FOR THE LAST FIVE YEARS (TRY)							
YEAR	NET PROFIT(LOSS)⁽¹⁾	EQUITY			TOTAL ASSETS		
SUBSIDIARIES ⁽²⁾							
	COMPANY TITLE	TYPE OF OPERATION		CAPITAL	SUM OF SHARES		
1							
2							
3							
4							
5							
REAL ESTATES OWNED							
	LOCATION	TYPE	PLOT	BLOCK	LAYOUT	RESTRICTIONS	CURRENT VALUE

1						
2						
3						
4						
5						

**SECURITIES
(In Detail)^{(3), (4)}**

DETAILED LIST OF RESOURCES BY WHICH THE SUBSCRIBED CAPITAL IS TO BE MET

1	
2	
3	
4	
5	

BANKS COOPERATED WITH^{(5), (6)}

	1	2	3	4	5
BANK TITLE					
BRANCH NAME					
DEPOSITS					
--TIME					
--SIGHT					
CREDIT					
--SUM					
--OUTSTANDING DEBT					
--GUARANTEES					
--TYPE					
--TERM					
--REMAINING TERM					

--

LIABILITIES TO NATURAL PERSONS AND LEGAL PERSONS OTHER THAN BANKS ⁽⁷⁾

	CREDITOR TITLE/ NAME	OF LIABILITIES				
		TYPE	TOTAL AMOUNT	OUTSTANDING DEBT	TERM	REMAINING TERM
1						
2						
3						
4						
5						

OFF-BALANCE SHEET LIABILITIES ⁽⁸⁾

	CREDITOR NAME	OF LIABILITIES		EXPLANATION
		TYPE	TOTAL AMOUNT	
1				
2				
3				
4				
5				

PREVIOUS SIGNIFICANT ACTIVITIES ACCOMPLISHED IN THE FIELD OF PAYMENT AND SECURITY SETTLEMENT SYSTEMS

--

IF LEGAL PROCEEDINGS HAVE BEEN INSTITUTED ON THE GROUND OF CREDITS DRAWN BY NATURAL PERSONS AND LEGAL PERSONS HOLDING A SHARE OF MORE THAN 10 PER CENT IN THE COMPANY OR COMPANY CAPITAL FROM LOCAL OR FOREIGN BANKS

--

MAJOR LEGAL DISPUTES IN WHICH THE COMPANY IS PRESENTLY INVOLVED	
FINALIZED	
ONGOING	

SIGNATURE:

DATE:

EXPLANATIONS:

- (1) The sum less the reserves for taxes shall be inserted.
- (2) The rate of participation shall be inserted if it is five per cent or more of the participating company's capital.
- (3) Any holdings of bonds, bills, gold, precious stones and metals, etc., including any restrictions thereof, shall be inserted in this section.
- (4) Shares concerning subsidiaries shall be excluded.
- (5) If several types of credit are used from the same bank, such shall be indicated separately.
- (6) If business is conducted with several branches of the same bank, such shall be indicated separately.
- (7) Any liabilities / payables with a sum of five per cent or more of the company capital shall be inserted.
- (8) Off-balance sheet liabilities such as bailment, commitment and guarantee shall be inserted.

NOTE: Additional forms may be used if the sections available on the form are not adequate

ANNEX – 2

**DECLARATION ON QUALIFIED SHARE HOLDERS OF SYSTEM OPERATORS /
SHARE TRANSFEREES
(NATURAL PERSON)**

OF NATURAL PERSON				
NAME & SURNAME				
PLACE AND DATE OF BIRTH				
NATIONALITY				
FATHER'S NAME				
ADDRESS OF DOMICILE				
EDUCATION STATUS (In Detailed)				
TITLE AND ADDRESS OF CURRENT EMPLOYER				
PROFFESION AND TITLE				
IDENTITY NUMBER				
PREVIOUS EMPLOYERS				
	TITLE OF EMPLOYER	STARTING DATE	ENDING	LAST POSITION TITLE
1				
2				
3				
4				
5				
LAST FIVE YEARS' ANNUAL INCOME TAXES AND INCOME TAXES PAID (TRY THOUSAND)				
YEAR	NET INCOM		INCOME TAX PAID	

COMPANIES IN WHICH HE / SHE HAS PARTNERSHIPS ⁽²⁾

	COMPANY TITLE	FIELD OF OPERATION	CAPITAL	SUM OF SHARES
1				
2				
3				
4				
5				

REAL ESTATE OWNED

	LOCATION	TYPE	PLOT	BLOCK	LAYOUT	RESTRICTIONS	CURRENT VALUE
1							
2							
3							
4							
5							

SECURITIES (IN DETAIL) ^{(3), (4)}

--

DETAILED LIST OF RESOURCES BY WHICH SUBSCRIBED CAPITAL IS TO BE MET

1	
2	
3	
4	
5	

OTHER ASSETS OWNED ⁽⁵⁾

--

BANKS COOPERATED WITH ^{(6), (7)}

--

	1	2	3	4	5
BANK TITLE					
BRANCH NAME					
DEPOSITS					
--TIME					
--SIGHT					
CREDIT					
--SUM					
--OUTSTANDING DEBT					
--GUARANTEES					
--TYPE					
--TERM					
--REMAINING TERM					
LIABILITIES / PAYABLES TO NATURAL PERSONS AND LEGAL PERSONS OTHER THAN BANKS					
	CREDITOR/TITLE/NAME	OF LIABILITIES			
		TYPE	AMOUNT	OUTSTANDING DEBT	TERM
1					
2					
3					
4					
5					
OTHER LIABILITIES ⁽⁸⁾					
	CREDITOR TITLE/ NAME	OF LIABILITIES		EXPLANATION	
		TYPE	AMOUNT		
1					
2					
3					
4					
5					

BY WHICH FIELDS OF OPERATION AN APPLICATION HAS BEEN MADE TO OPERATE IN THE FINANCIAL SECTOR IN TURKEY OR ANOTHER COUNTRY PREVIOUSLY AND REASONS IF THE APPLICATION HAS BEEN REJECTED OR PERMISSION RECEIVED HAS BEEN CANCELLED⁽⁹⁾

IF LEGAL PROCEEDINGS HAVE BEEN INSTITUTED AGAINST HIM/HER OR COMPANIES WHICH HE/SHE IS A QUALIFIED SHAREHOLDER ON THE GROUND OF CREDITS OR ANY OTHER FINANCIAL LIABILITIES RESOURCES RECEIVED FROM LOCAL OR FOREIGN BANKS OR OTHER FINANCIAL ORGANIZATIONS

IF THERE ARE ANY SUITS FILED AGAINST HIM / HER, THE SUBJECT MATTER OF SUIT(S) IF ANY

DETAILED EXPLANATION ON ANY MAJOR DISPUTES IN WHICH HE / SHE IS PRESENTLY INVOLVED

INFORMATION FOR PEOPLE WHO GIVE A REFERENCE ABOUT HIM/HER

	NAME-SURNAME	ADDRESS	CONTACT INFO	
			TELEPHONE	E-MAIL
1				
2				
3				
4				
5				

SIGNATURE:

DATE:

EXPLANATIONS:

(1) The name or commercial title of the organization, employer or company of previous employment shall be inserted.

(2) The rate of participation shall be inserted if it is five per cent or more of the participating company's capital.

(3) Any holdings of bonds, bills, gold, precious stones and metals, etc., including any restrictions thereof, shall be inserted in this section.

(4) Shares of the companies indicated in the part, “Companies in which he / she has partnerships”, shall be excluded.

(5) Other assets which have a current value of at least 100,000 TRY shall be inserted.

(6) If he / she uses several types of credit from the same bank, such shall be indicated separately.

(7) If business is conducted with several branches of the same bank, such shall be indicated separately.

(8) Banks, insurance companies, financial leasing companies, factoring companies, authorized houses and similar other Organizations, etc. operating pursuant to the Capital Market Law shall be inserted as applicable.

(9) Liabilities such as bailment, commitment and guarantee shall be inserted.

NOTE: Additional forms may be used if the sections available on the form are not adequate.

ANNEX – 3

LETTER OF COMMITMENT

TO THE CENTRAL BANK OF THE REPUBLIC OF TURKEY

I hereby declare and commit that myself/the legal person I represent is not a qualified shareholder of banks, bankers, insurance companies and institutions operating in money and the stock market which were liquidated or banks transferred to the Saving Deposit Insurance Fund.

SIGNATURE:

NAME-SURNAME:

DATE:

ANNEX – 4

LETTER OF COMMITMENT

TO THE CENTRAL BANK OF THE REPUBLIC OF TURKEY

I hereby declare and commit that the foundation capital / purchasing costs of the legal person I represent which is stated in the application of Institution for operating license/transfer of shares are generated from my/our own activities in the industrial, commercial and services sectors and such shall be provided and delivered in cash, free from all collusion.

SIGNATURE:

NAME-SURNAME:

DATE: