

COMMUNIQUE

From the Capital Markets Board:

COMMUNIQUE ON FOREIGN CAPITAL MARKET INSTRUMENTS, DEPOSITORY RECEIPTS AND FOREIGN INVESTMENT FUNDS**(VII-128.4)****SECTION ONE****Purpose, Scope, Grounds and Definitions****Purpose**

ARTICLE 1 – (1) This Communiqué is aimed at setting forth the principles of the issue of foreign capital market instruments and depository receipts and sales of the shares of foreign investment funds.

Scope

ARTICLE 2 – (1) The following procedure concerning the sales (with or without public offering) of foreign capital market instruments and depository receipts and shares of foreign investment funds in Turkey is subject to the provisions hereof, and it is obligatory to apply to the Board for such procedure.

- a) Public offering of foreign capital market instruments and depository receipts.
- b) Sales of the shares of foreign investment funds with or without public offering.
- c) Sales of foreign capital market instruments, excluding equities, and depository receipts without being publicly offered, by allocation method and/or to qualified investors.
- ç) Sales of the foreign capital market instruments and depository receipts of foreign companies whose equities or depository receipts are traded on the Exchange, without being publicly offered, by allocation method and/or to qualified investors.
- d) Bonus or rights issues of foreign companies whose equities are traded on the Exchange.
- e) Introduction of the equities of foreign companies whose equities are already traded on overseas exchanges, for trading on the Exchange.

(2) The principles concerning the sales of foreign capital market instruments of foreign states and local administrations in Turkey shall be determined by the Board in accordance with the provisions hereof.

(3) The concept of the sales of the equities of foreign investment funds includes the sales of the equities against a certain fee, and all activities such as the promotion of the equities on a one-on-one or collective basis through letters or all other means of communication, and activities aimed at establishing relationships with the investors.

(4) Trading by persons domiciled in Turkey of foreign capital market instruments and shares of foreign investment funds through institutions authorized according to the capital markets legislation is outside the scope of this Communiqué, provided that such trading is not a public offering according to the capital markets legislation.

(5) Sales of the equities acquired by bonus share programs and other similar programs for the employees offered by foreign companies to their employees in Turkey is not subject to an application with the Board, provided that the sales is not realized in Turkey, it does not include any practices falling within the scope of public offering, and the information provided to the employees contain no expressions that may be confused with public offering.

(6) Other collective investment institutions that resemble foreign investment funds are not accepted as foreign companies and are subject to the provisions of Section 8 hereof.

(7) The expressions of prospectus, representative, issuer and custody institution mentioned in Section 8 hereof, which stipulates the principles regarding the shares of foreign investment funds, refer to, respectively, fund prospectus, fund representative, fund issuer, and fund custody institution.

Grounds

ARTICLE 3 – (1) This Communiqué is prepared on the basis of articles 12 and 13; sub-paragraph (e) of article 1 of article 128, paragraph 3 article 130 of the Capital Markets Law no. 6362 dated December 6, 2012, and sub-paragraph (c) of article 15 of the Decree No. 32 on the Protection of the Value of Turkish Currency.

Definitions and Abbreviations

ARTICLE 4 – (1) The expressions below in this Communiqué refer to the following;

- a) Stock Exchange: The Stock Exchange defined in sub-paragraph (ç) of paragraph 1, article 3 of

the Law,

b) Depository receipt: A capital market instrument that is issued by the depository institution, representing the foreign capital market instruments in custody of the custodian, entitling the holder to the same rights, and which is equivalent to such equities, denominated in Turkish Lira or foreign currencies whose trading values are announced by the Central Bank of the Republic of Turkey on a daily basis.

c) Depository Institution: The bank that has issued depository receipts representing the foreign capital market instruments kept at custody institutions on its behalf and on the account of depository receipt holders, and brokerage houses vested with broad authorizations defined in the stipulations regarding the Board's investment services and activities.

ç) Rating Agencies: Rating agencies authorized by the Board in accordance with the Board's stipulations on rating activities and international rating agencies approved by the Board to engage in rating activities in Turkey.

d) Fund: Foreign investment funds established abroad.

e) Fund Issuer: Founder or manager of a foreign investment fund.

f) Fund Prospectus: Disclosure document prepared for the sales of the shares of a foreign investment fund in Turkey.

g) Fund Custody Institution: Institutions duly authorized abroad to offer custody services for foreign investment funds.

ğ) Fund Representative: Banks, or brokerage houses operating in Turkey and vested with broad authorizations, defined in the Board's stipulations regarding investment services and activities.

h) Public Disclosure Platform (PDP): The electronic system defined in sub-paragraph (k), paragraph 1, article 3 of the Law.

ı) Law: The Capital Markets Law no. 6362 dated December 6, 2012.

i) KGK: Public Oversight Accounting and Auditing Standards Authority.

j) Board: Capital Markets Board of Turkey.

k) MKK: Central Securities Depository Institution.

l) Qualified Investor: Qualified investor as defined in the Board's relevant arrangements.

m) Custody Institution: Institutions authorized to keep custody of capital market instruments according to the legislation of the relevant country and approved by the Board to engage in custody operations.

n) CBRT: Central Bank of the Republic of Turkey.

o) Representative: Development and investment banks or brokerage houses vested with broad authorizations operating in Turkey, which have a proxy or other contractual relationship with foreign companies and/or a person or depository institution that has a share in such foreign companies applying to the Board for selling foreign capital market instruments, excluding shares of foreign investment funds.

ö) TTSG: Turkish Commercial Registry Gazette.

p) Foreign Company: A company operating abroad as defined in Decree No. 32 on the Protection of the Value of Turkish Currency and which issues capital market instruments in accordance with the legislation of its home country.

r) Foreign Company Equities: Capital market instruments providing ownership rights, issued by foreign companies in accordance with their home country.

s) Foreign Capital Market Instruments: Capital market instruments other than shares of foreign investment funds issued by foreign companies or foreign states and local administrations, and defined in sub-paragraph (ş), paragraph 1, article 3 of the Law.

ş) Shares of Foreign Investment Funds: A capital market instrument issued by a foreign investment fund which is qualified as a collective investment company established abroad, and fall into the "other capital market instrument" category.

t) Investor Information Form: A summarized form defining the structure, investment strategy and risks of the fund.

SECTION TWO

Sales of Foreign Capital Market Instruments with and without Public Offering

Prerequisites for Public Offering

ARTICLE 5 – (1) The application for trading on a stock exchange or issue of the foreign capital market instruments to be issued in Turkey must not have been refused by a stock exchange or authorized capital markets authority for investor protection or similar reasons.

(2) Foreign capital market instruments must be denominated in Turkish Lira or foreign currencies

whose trading values are announced by the Central Bank of the Republic of Turkey on a daily basis.

(3) The legislation of the country where the foreign capital market instruments were issued must not impose any limitations neither on the sales nor the realization of the procedures and payments related with the financial rights and exercising of managerial rights attached with such foreign capital market instruments in Turkey.

(4) Foreign capital market instruments must not be subject to any limitations on transfer or circulation, or those preventing the holder from exercising his/her rights, nor must be subject to any rights in kind, confiscation or other similar restrictive rights.

(5) In the case of issuing capital market instruments other than equities, foreign companies must have received a long term rating equivalent of "investable" form a rating agency during the year preceding the application.

(6) The Board may require additional prerequisites according to the quality of the issue or the capital market instrument in question for the protection of the investors or a similar reason, provided that the applicant is informed accordingly.

Requirements for Representatives and Appointment of a Representative

ARTICLE 6 – (1) The appointment of a representative is obligatory for the public offering of foreign capital market instruments while it is optional in the case of the sales of capital market instruments by allocation method and/or sales to qualified investors without being offered to the public.

(2) A written contract must be prepared between the foreign company and the representative in the case of the public offering of foreign capital market instruments, and between the depository institution and the representative in the case of the public offering of the capital market instruments through depository receipts. In the case of initial public offering of foreign capital market instruments by their owners in Turkey, the contract will be prepared by such owner and the representative, which contract shall define the obligations of the foreign company and must be signed by the same.

(3) The validity period of the contract mentioned in paragraph two above must at least cover the maturity term of the foreign capital market instrument, if any. However, such contract may be terminated by the parties, provided that a prior notice of 60 days is given, or if any events that prevent the continuation of the contract occur. Should the contract be terminated by prior notice, the relevant foreign company, the foreign company along with the foreign shareholder or the depository institution must appoint a new representative and advise such representative to the Board for the period covering the time between the notification date and term of the contract. In cases such as bankruptcy, where the representative cannot fulfill his obligations, a new representative will be immediately appointed and advised to the Board. All liabilities arising from the new representation contract will be valid until a new contract is signed and submitted to the Board. Such case shall be mentioned in the representation contract.

(4) In the case of foreign capital market instruments being offered to the public through depository receipts, the depository institution may be the representative, provided that it has the required qualities. In such case, the representation contract mentioned in sub-paragraph 2 above will be signed between the depository institution and the foreign company.

(5) In the case of capital market instruments which are traded with a market maker, the market maker can be a representative only if there is no conflict of interest, and the market maker has the qualities of a representative.

Application with the Board and Sales

ARTICLE 7 – (1) Foreign companies, depository institution or representative shall apply to the Board with the documents listed in Appendix 1 for the sales of foreign capital market instruments and for the issue of depository receipts.

(2) The principles of the prospectus, sales announcement to savers, issue document and other similar documents as well as public offering and sales procedures shall be in accordance with the provisions of the communiqué concerning the capital market instrument in question, unless otherwise stated in the Board's arrangements. The provisions of paragraph two, article 28 of the Communiqué on Prospectus and Issue Document (II-5.1), published in the Official Gazette no. 28685, dated June 22, 2013 shall not be applied.

(3) In the event that the issued foreign capital market instruments and depository receipts are denominated in foreign currencies whose trading values are announced by the Central Bank of the Republic of Turkey on a daily basis, the sales procedure will be realized in Turkish Lira. In such case, the exchange rate applicable, effects of the change in the exchange rate, expenses, the bearer of such expenses, and other similar features will be explicitly defined in the prospectus.

(4) In principle, foreign capital market instruments are monitored in electronic environment in dematerialized form. The foreign capital market instruments kept under custody in the account to be

opened with the authorized custody institutions in the name of MKK must be monitored by MKK on right holder basis. Provisions regarding the principles and procedures of dematerialization are reserved.

(5) If required by the quality of the sales, application with the Stock Exchange simultaneously with the Board is obligatory.

Information to be Provided in the Prospectus

ARTICLE 8 – (1) In the case of the public offering of foreign capital market instruments and depository receipts, the information required by articles 7, 10, 11, 14, 15 and 16 and articles 8, 9 and 13 of Appendix/1 must be included in the prospectus, and the statements envisaged in articles 2, 3, 4, 5 and 6 of Appendix/1, required to be submitted to the Board, must be included in the prospectus appendix.

(2) The prospectus must contain information on the publication place of the prospectus, announcement and other notices that have been issued or will be issued abroad for the capital market instrument, if any.

SECTION THREE

Special Provisions Regarding Depository Receipts

Depository Receipts

ARTICLE 9 – (1) Foreign capital market instruments represented by the depository receipts are deposited in the custody institution in the name of the depository institution, prior to the application to the Board. Following the approval of the prospectus or issue document submitted for the application, the depository receipts will be issued by MKK in dematerialized form. Depository institutions must be MKK members.

(2) Foreign capital market instruments represented by depository receipts will be kept in MKK's account with the authorized custody institution, if any. In such a case, the representative's obligation envisaged in sub-paragraph (b), paragraph 1, article 17 will be fulfilled by MKK.

(3) In the event that the foreign company that has issued the foreign shares represented by the depository receipts enters in a cash and/or bonus corporate action, the foreign shares to be issued must be issued as depository receipts as well.

Replacing Depository Receipts with Foreign Capital Market Instruments

ARTICLE 10 – (1) If required, depository receipts will be replaced by the depository receipt holders with the foreign capital market instruments they represent. The principles regarding the method and deadline for such replacement, determined by the depository institution, will be included in the prospectus. However, the Board may request revisions on such principles. If the depository institution's depository receipts are kept in MKK's account in accordance with paragraph two, article 9, the deadline and method of such replacement will be determined subject to the approval of MKK.

SECTION FOUR

Payments Related to Foreign Capital Market Instruments and the Language of the Information and Documents to be Submitted

Payments Related to Foreign Capital Market Instruments

ARTICLE 11 – (1) Principal, interest, dividend and coupon payments related to foreign capital market instruments may be made in the currency in which the capital market instrument is denominated, or Turkish Lira. Principles of the payment including the timing, currency rate, expenses, and the party to bear such expenses shall be indicated in the prospectus.

Language of the Information and Documents to be Presented to the Board

ARTICLE 12 – (1) Of the information and documents required within the scope of this Communiqué, those based on the Board's regulations must be prepared in Turkish, while the Turkish translation of the rest of such information and documents must be submitted to the Board. The Board may request the translations to be by a sworn translator.

SECTION FIVE

Disclosure and Other Obligations of Foreign Companies

Disclosure

ARTICLE 13 – (1) Foreign companies must fulfill the disclosure requirements to which companies operating in Turkey whose capital market instruments carry similar features and/or are traded on the same market/platform of the stock exchange are subject, with the exception of the cases defined in this article and articles 14, 15 and 16.

(2) In the case of information, events and developments which may influence the value or price of foreign capital market instruments and investors' investment decisions, the special events and the announcement principles for the relevant foreign company, foreign shareholder, depository institution or the other relevant parties shall be subject to the same arrangements of the Board to which similar companies operating in Turkey and/or whose capital market instruments are traded on the same market/platform of the stock exchange. The announcement will include information on the website where the announcement made abroad is available. Language of disclosure is Turkish.

Financial Reporting

ARTICLE 14 – (1) Financial statements (financial tables, board of directors' activity reports and statements of responsibility) to be prepared by foreign companies must be in compliance with the Board's arrangements on the accounting/financial reporting standards for companies whose capital market instruments are traded on the stock exchange. Compliance with the International Accounting/Financial Reporting Standards published by the International Accounting Standards Board or the version accepted by the European Union is deemed as compliance with the accounting standards accepted by the Board. Use of the financial statements prepared in consideration of the generally accepted accounting standards requires the Board's approval. Even if the Board accepts the application of a different set of generally accepted accounting standards, it may request the company to explain the divergences from the accounting standards applied by the companies traded on the stock exchange.

(2) The financial statements to be disclosed by foreign companies in Turkey must be denominated in Turkish Lira.

(3) Foreign companies are not required to comply with the arrangements regarding the financial statements and footnote formats to which companies whose capital market instruments carry similar features and/or are traded on the same market/platform of the stock exchange are subject.

(4) In cases where the nominal value of the depository receipt issued is equal to or greater than 100,000, and International Accounting/Financial Reporting Standards are not used, the issue may be realized provided that the fact that such difference in practice may lead to material differences in financial reporting is indicated and the difference between the accounting/financial reporting standard used by the depository receipt issuer and the International Accounting/Financial Reporting Standards is explained in the prospectus.

(5) Disclosure of foreign companies is subject to the following principles:

a) With respect to the disclosure of foreign companies' financial statements, the deadlines for submitting to the Board or PDP the financial statements of companies whose capital market instruments carry similar features and/or are traded on the same market/platform of the stock exchange are applicable.

b) While announcing the financial statements and disclosures regarding such announcement, it is obligatory to provide information about the website where the financial statements are provided in the home language and currency. The prospectus will also provide information about where the financial statements prepared in the home language and currency are published, and announcement period differences, if any.

c) In the event that the deadline envisaged for the disclosure of the financial statements in the other countries where the foreign capital market instrument is traded/issued precedes that of the Board, the Turkish translations of the financial statements expressed in Turkish Lira (excluding footnotes), statement of responsibility, and the opinion page of the independent auditors' report must be disclosed simultaneously, and the financial statements expressed in Turkish Lira, as well as the Turkish translation of the independent auditors' report in its entirety must be disclosed by the deadline envisaged in the Board's arrangements for companies whose capital market instruments carry similar features and/or are traded on the same market/platform of the stock exchange.

ç) In the event that the deadline for disclosure of financial statements in the countries where the foreign capital market instrument is traded is later than that envisaged by the Board;

1) The company must disclose the date on which the financial statements expressed in Turkish Lira and the Turkish translation of the independent auditors' report will be disclosed, before the deadline for the disclosure of the financial statements envisaged for companies whose capital market instruments carry similar features and/or are traded on the same market/platform of the stock exchange.

2) The financial statements (excluding footnotes) expressed in Turkish Lira, and the Turkish translation of the statement of responsibility and the opinion page of the independent auditors' report must be disclosed simultaneously with the home country, and the financial statements expressed in Turkish as well as the independent auditors' report in its entirety must be disclosed in maximum 10 business days.

(6) If the financial statements disclosed in the country where the foreign capital market instrument is traded/issued contain additional information, such details will also be included in the disclosure in Turkish.

Independent Audit

ARTICLE 15 – (1) With respect to independent audit liability, foreign companies are subject to the principles to which companies whose capital market instruments carry similar features and/or are traded on the same market/platform of the stock exchange are subject. Financial statements must be independently audited in accordance with the principles envisaged by the Board or the International Audit Standards published by the International Federation of Accountants (IFAC). Such situation shall be explicitly stated in the independent auditors' opinion.

(2) In the event that the nominal value of the depository receipt issued is equal to or greater than 100,000, and International Accounting/Financial Reporting Standards are not applied, the issue may be realized, provided that the significant differences between the audit standard applied by the depository receipt issuer and the International Audit Standards are explained in the prospectus.

(3) Independent audit shall be carried out by the independent auditors listed in the Board's authorized organizations, or the international independent auditors of which such organizations are members or participations. The Board may request that a statement is made to the effect that features including quality control, recruitment, training, and so forth are in harmony with those of the companies included in the Board's list, for approval.

Compliance with Other Capital Markets Arrangements

ARTICLE 16 – (1) Financial and managerial rights connected with the relevant foreign capital market instrument and exercising thereof are subject to the legislation applicable in the home country. Information on country-specific arrangements regarding these rights and exercising of these rights in accordance with MKK arrangements will be provided in the prospectus.

(2) In the case of depository receipts, voting rights of foreign equities may not be exercised by the depository institution by proxy unless instructed so by the depository certificate holders.

(3) Foreign companies are exempt from the Board's arrangements regarding dividend distribution and corporate governance, with the exception of cases where the Board deems it necessary. Furthermore, with regard to situations that lead to obligatory equity acquisition offers, the legislation of the country that is in favor of the investor shall be applicable.

SECTION SIX

Liabilities Regarding Foreign Capital Market Instruments and Depository Receipts and Principles of Responsibility in General

Liabilities of the Representative

ARTICLE 17 – (1) Representatives are liable to ensure that:

a) The financial and managerial rights connected with the foreign capital market instruments are exercised within the framework of the relevant country's legislation and in accordance with the provisions of the contract signed with the foreign company, as envisaged by article 16.

b) The information form that contains the explanations in Appendix 2 hereof, showing the quantity of the foreign capital market instruments and depository receipts kept by the custody institution as of the end of the month and the quantity of depository receipts traded during the month, and the quantity of depository receipts replaced by foreign capital market instruments is sent to PDP within one week following the end of the month.

c) Information on the quantity, method and timing of the payments for the depository receipts is sent to PDP on the business day following the foreign company's disclosure on payment.

ç) Payments related with the foreign capital market instruments are made in Turkey.

d) All information sent by the foreign company to be disclosed is publicly disclosed in accordance with the principles and procedures envisaged in the relevant arrangements of the Board.

(2) Representatives are responsible for announcing on their websites the daily closing prices of the foreign company's capital market instruments traded on foreign exchanges and that carry the same features as those issued in Turkey.

(3) In public offering of foreign capital market instruments, in addition to those that are required to sign the prospectus, the prospectus must be signed by the representative, as required by the Board's stipulations. In cases of public offerings through issuing depository receipts, the requirement to sign the prospectus will be fulfilled by the depository institution instead of the issuer.

(4) In cases of public offering of foreign capital market instruments through issuing depository receipts, if the depository institution is different from the representative, the depository institution and the representative shall be jointly and severally responsible for failure of fulfilling the liabilities indicated in paragraph one above.

Principles of Responsibility

ARTICLE 18 – (1) In the case of the public offering of foreign capital market instruments, the issuer shall be responsible for the prospectus and the other public disclosure documents in accordance with articles 10 and 32 of the Law. The representative is responsible for the prospectus in the same way as the leader intermediary institution indicated in article 10 of the Law.

(2) In the case of the public offering of a foreign capital market instrument through issuing depository receipts, the issuer responsibility is deemed to be borne by the depository institution as well.

SECTION SEVEN

Conversion of the Equities of Foreign Companies into Stock Exchange-Traded Equities and Board Fee for Foreign Capital Market Instruments and Depository Receipts

Conversion of the Equities of Foreign Companies into Stock Exchange-Traded Equities

ARTICLE 19 – (1) The Board's arrangements regarding the conversion of equities that are not traded on a stock exchange into stock exchange-traded capital market instruments is not applicable for the foreign companies whose equities are traded on the Stock Exchange.

Board Fee for Foreign Capital Market Instruments and Depository Receipts

ARTICLE 20 – (1) The Board fee regarding foreign capital market instruments/depository receipts is paid according to the principles indicated in the relevant Board arrangement, on the basis of the features of the relevant capital market instrument. In the event that depository receipts are issued to represent equities, a fee will be charged only for the depository receipts to be sold.

(2) The Board fee for foreign capital market instruments and depository receipts will be calculated as follows:

a) During the term of three months following the offering of foreign capital market instruments/depository receipts traded abroad for sales:

1) The day on which the quantity of foreign capital market instruments/depository receipts in circulation, calculated on the basis of the end-of-day balance on each trading day, is the highest, is called "maximum circulation day",

2) The weighted average price of the foreign capital market instrument/depository receipt in the first and second trading sessions on each trading day is the "sales price",

3) The difference of the sales price minus the nominal value of the foreign capital market instruments/depository receipts is called the "adjusted sales price".

Trading days on which no price was discovered are not taken into consideration in determining the sales price.

b) If the quantity of foreign capital market instruments/depository receipts on the "maximum circulation day" is greater than the quantity for which the Board fee has been paid on the basis of issue value, a fee equal to the product of the difference and adjusted sales price, determined according to article 130 of the Law shall be deposited in the bank account announced by the Board by the foreign company/depository institution within 6 days following the end of the quarter. A copy of the relevant tables and the calculation table shall be sent to the Board on the same day.

(3) After the procedures indicated in paragraph two have been realized, for each quarter, if the quantity of foreign capital market instruments/depository receipts on the "maximum circulation day" calculated quarterly is greater than the quantity for which the Board fee has been paid, a fee equal to the product of the difference and adjusted sales price for the quarter, determined according to article 130 of the Law shall be deposited in the bank account announced by the Board by the foreign company/depository institution within 6 days following the end of the quarter. A copy of the relevant proofs of payment and the calculation table shall be sent to the Board on the same day.

(4) If the end of the maturity of the foreign capital market instrument does not coincide with the end-of-quarter, the procedures indicated in paragraph three above will be realized at end of maturity.

(5) The records of the stock exchange and MKK shall be taken as basis in determining the sales price and maximum circulation day. The foreign company/depository institution is responsible for calculating and depositing the Board fee.

SECTION EIGHT

Provisions Regarding Foreign Investment Funds

Prerequisites for Investment Funds whose Shares will be Offered for Sales and their Shares

ARTICLE 21 – (1) Funds whose shares will be sold in Turkey must comply with the following conditions.

a) Shares of foreign investment funds must be traded in Turkish Lira or foreign currencies whose

trading prices are announced by the Central Bank of the Republic of Turkey on a daily basis.

b) The issuer must have obtained permission for the sales of the equities from the relevant authority.

c) At least three years must have elapsed since the day that the shares have started to be sold abroad, and the value of the shares as of the application date must not be less than € 2,000,000 or equivalent thereof.

ç) The legislation in the issuer's home country must not impose any restrictions on the sales in Turkey, or realizing the procedures, payments and using the financial rights connected with such shares in Turkey.

d) The net asset value of the fund must be minimum € 10,000,000 or equivalent thereof.

e) Minimum 80% of the fund's net asset value must be invested in assets other than the money and capital market instruments of issuers operating in Turkey, and Turkish public sector borrowing instruments.

f) If portfolio management services are received from a company other than the issuer, such company must hold a portfolio management authorization in its home country.

g) An amount exceeding 10% of the fund's net asset value, and in the case of money and capital market instruments issued by public organizations, more than 35% of the fund's net asset value must not be invested in the money and capital market instruments of a single organization or company.

ğ) The fund must not, singly or jointly with another organization, hold more than 10% of the capital or all voting rights in any company.

h) The relevant country's legislation concerning the borrowing or lending the assets of the fund must be in harmonization with the legislation to which the investment funds established in Turkey are subject.

ı) The fund's financial statements prepared in accordance with international accounting standards must be independently audited at least once annually.

i) A letter of undertaking addressed to the Board, signed by the fund's authorized body, stating that the fund shall provide all and any information and documents, including the public disclosure documents listed in article 31, and that the fund will allow the auditing of the fund by any persons or organizations designated by the Board, and that all related expenses will be covered by the fund, shall be submitted.

(2) The shares may be publicly offered and sold in Turkey only if they have been publicly offered in the home country.

(3) The Board may bring additional requirements for the protection of investors or similar reasons.

(4) In the event that the funds whose shares will be sold in Turkey lose any one of the conditions envisaged herein, the sales may be suspended or terminated by the Board. If the Board requests that termination of the sales of the shares of a foreign investment fund, the representative must apply to the Board to cancel the information on the place that the prospectus was published, from the commercial registry.

Fund Representative and Representation Contract

ARTICLE 22 – (1) The fund must have a representative in Turkey and there must be a written contract between the two, covering at least the facts in Appendix/3. If the contract is terminated, all liabilities arising from the contract and from this Communiqué shall continue to be valid until a new contract has been signed and approved by the Board.

(2) Operations of the representatives must not have been terminated all together, or suspended in relation to a specific field of activity for a period of one month or longer in the previous year, in accordance with the representatives' special legislation and the capital markets legislation.

Fund Representative's Responsibilities

ARTICLE 23 – (1) The representative is responsible for:

a) Ensuring that the holders of the fund's shares have equal rights as those domiciled outside Turkey and that the payments related with such shares are made in Turkey,

b) Ensuring that the public disclosures and notifications made to the Board are made timely and ensuring that all the documents to be appended to the applications as well as the prospectus, investor information form and other information disclosed to the public are correct.

c) Ensuring that the shares of the foreign investment fund are traded in accordance with the principles determined by the fund.

ç) In the case of the repurchase of the shares of foreign investment funds, if the fund fails to make payments for any reason whatsoever, paying the cost of the shares fully and in cash within a maximum period of two business days following the deadline determined for the repurchase.

d) Ensuring that the records pertaining to the shares sold in Turkey, the identity information of the persons that acquired such shares, and quantity and dates of trading are correct, ensuring that the records and information to be sent to the issuer are correct, and monitoring that the records kept in Turkey and

abroad are in harmony.

Fund Custody Institution

ARTICLE 24 – (1) Fund assets must be kept with at least one fund custody institution defined herein.

Application to the Board for Sales of the Shares of a Foreign Investment Fund

ARTICLE 25 – (1) For the sales of the shares of an investment fund with or without public offering, the representative must apply to the Board for approval of the fund prospectus concerning the sales of the shares of the foreign investment fund in Turkey, along with the prospectus, investor information form, the application form defined by the Board, and any other information and documents as the Board may require. The Board may, if deems necessary, request the authorized body in the fund's home country to provide their opinion about the fund and fund officials.

(2) The information and documents required for the application and approval of the prospectus concerning the sales of the shares of the foreign investment fund will be determined and announced by the Board.

(3) In cases of fund applications consisting of more than one portfolio, each portfolio will be considered as a separate fund within the framework of this Communiqué.

(4) If a bank applies to the Board for approval of the prospectus concerning the sales of the shares of the foreign investment fund in Turkey, the opinion of the Banking Regulation and Supervision Agency will be sought.

Sales of the Shares of a Foreign Investment Fund

ARTICLE 26 – (1) The Board shall examine the applications on the basis of public disclosure principles, considering whether the prospectus contains the information envisaged by the legislation regarding the sales of the fund and the shares of the foreign investment fund, as well as any other information that may be required by the Board, and in consideration of whether the representative and the representation certificate comply with the requirements herein.

(2) The information contained in the prospectus must be stable, comprehensible, and complete according to the prospectus standard determined by the Board. The fund's prospectus must be detailed to the extent that it explicitly provides the information envisaged by the legislation and other information that the Board may require, must be in Turkish, signed by the representative and fund officials, and the information and explanations must be documented if necessary.

(3) The following principles must be observed in the approval of the prospectus for foreign investment funds by the Board.

a) The prospectus shall be examined and approved on the basis of the documents and information submitted to the Board within 20 business days and the result will be advised to the relevant parties. The approved prospectus must include the number of shares to be sold in Turkey. Sales of additional shares is subject to the Board's approval, in which case, the minimum sales quantity requirement, envisaged in sub-paragraph (c), paragraph one, article 21 hereof shall not be sought.

b) In the event that the information and documents submitted are incomplete or additional information and documents are required, the applicant shall be informed accordingly within ten business days following the application date. Such incomplete information and documents must be submitted within 20 business days. In such case, the period of 20 days envisaged in sub-paragraph (a) above shall be counted from the day that such information and documents are submitted to the Board.

(4) Approval of the prospectus may not be construed as a warranty of the Board for correctness of the information contained therein nor may it be construed as a recommendation for the shares of the investment fund. Direct or indirect expressions which may lead to the interpretation of the Board's approval as the warranty of the Board or the public sector shall not be used in the notices and statements along with the prospectus.

(5) In the event that, as a result of the examinations made within the framework of this article, the Board resolves that the statements are not sufficient, do not reflect the truth fairly, and may therefore lead to the misleading of the investors, or that the representative or representation contract fail the requirements hereof, the Board may refrain from approving the prospectus, setting forth the reasons. If the prospectus is not approved, such case shall be advised to the applicant, setting forth the reasons for such rejection. In such a case, the shares of the foreign investment fund may not be sold in Turkey.

(6) The prospectus and investment information form will be published on PDP and on the official web site of the representative within 10 business days following the notification of the approval, but shall not be announced on the commercial registry and TTSG. Nevertheless, the place that the prospectus was published will be registered with the trade registry and announced on TTSG. Such registration date will be indicated in the investor information form.

(7) In cases of extraordinary situations including war, acts of God, economic crisis and communication systems failure, the Board may suspend the trading of the shares of foreign investment funds.

(8) The shares of foreign investment funds sold in Turkey must be monitored with the organization that monitors shareholding records abroad either collectively in the accounts to be opened in the name of the representative, or on right holder basis. Furthermore, shares of foreign investment funds must be monitored with MKK in registered form in the representative's sub-account on right holder basis.

Investor Information Form

ARTICLE 27 – (1) Investor information form will be prepared in accordance with the Board's arrangements regarding investment funds, and announced. The representative will be responsible for the correctness of the form's content as well as of keeping it up-to-date.

Revisions on the Fund Prospectus and Investor Information Form

ARTICLE 28 – (1) Any changes that may occur in the items disclosed to the public through the prospectus and investor information form before or on the date that sales is initiated, and which do not contradict with the provisions hereof, must be advised by the representative to the Board on the business day that follows the day that such change is discovered. Unless otherwise requested by the Board, revisions shall be announced on the representative's official website and PDP within ten business days following the day that such notification is registered with the Board.

(2) If prospectus revisions are in contradiction with the provisions hereof, the sales of the shares may be stopped by the Board, setting forth the reasons.

Trading of the Shares of Foreign Investment Funds

ARTICLE 29 – (1) Trading of the shares of foreign investment funds must be realized via the representative.

(2) Fund shares that have been acquired may be re-sold to the fund or, if authorized by the fund, to the representative only.

Sales by Allocation

ARTICLE 30 – (1) Shares of foreign investment funds may be sold to qualified investors only, and by allocation. Applications to the Board for the sales of such funds will be done through an issue document instead of a prospectus.

(2) For funds whose shares will be sold with allocation method:

a) Prerequisites excluding sub-paragraph (e), paragraph one, article 21 are not sought.

b) Provisions on the prospectus envisaged in articles 25 and 26 are applied for the issue document on pro rata basis.

c) Provisions of paragraph six, article 26 regarding obligations of announcement and registration and provisions of articles 27 and 31 are not applied.

(3) The representative is responsible for providing and maintaining the information and documents proving that the buying investors have the qualifications of a qualified investor envisaged herein.

(4) Funds whose shares will be sold with allocation method may not give any advertisements or notices.

Disclosure Principles

ARTICLE 31 – (1) Financial statements prepared in accordance with the legislation of the home country and international accounting standards, independent auditors' report and the other periodical reports in original form, along with the summary in Turkish are required to be published on PDP. The representative is responsible for ensuring that such notifications are made.

(2) Additionally, the table prepared by the representative according to the format in Appendix/4 on a monthly basis must be published on PDP within the first week of the following month.

(3) Should the Board not be satisfied with the notifications made as part of public disclosure, it may request additional information and require announcement thereof.

Principles Regarding Announcements and Advertisements

ARTICLE 32 – (1) Notices and advertisements for the fund will be in compliance with the Board's relevant stipulations.

Notifications Regarding the Procedures Made in Accordance with the Legislation on the Protection of the Value of Turkish Currency

ARTICLE 33 – (1) Information on the trading of the shares of foreign investment funds by persons domiciled in Turkey, subject to the provisions of the legislation on the protection of the value of Turkish currency must be advised to the Board via the table in Appendix/5 on a monthly basis by the organizations that offer intermediation services for such trades, within six business days following the end of each month.

Board Fee for Foreign Investment Funds

ARTICLE 34 – (1) According to paragraph three, article 130 of the Law, a fee equal to 5 hundred thousandths (5/100,000) of the size of the net asset value of the fund sold in Turkey as of the last business day of each quarter, multiplied by the currency rate announced by the Central Bank of the Republic of Turkey announced on that day, shall be calculated by the representative and deposited in the Board's account within the ten business days that follow, and the relevant proofs of payment will be submitted to the Board along with a copy of the calculation table.

SECTION NINE

Miscellaneous and Final Provisions

Revaluation

ARTICLE 35 – (1) The amounts mentioned herein may be revalued if deemed necessary. Revalued amounts shall be announced by a Board Bulletin.

Annulled Communiqués

ARTICLE 36 – (1) Communiqué Series III, No. 44, on the Principles Regarding the Registration with the Board and Sales of Foreign Capital Market Instruments and Depository Receipts, published in the Official Gazette no. 27738 dated October 23, 2010 has been annulled, and any references made thereto in the other arrangements of the Board shall be deemed to have been made hereto.

(2) Communiqué Series VII, no. 14, on the Principles Regarding the Registration with the Board and Sales of Foreign Mutual Fund Shares, published in the Official Gazette no. 23515 dated November 6, 1998 has been annulled, and any references made thereto in the other arrangements of the Board shall be deemed to have been made hereto.

Conclusion of Pending Applications

TEMPORARY ARTICLE 1 – (1) Applications pending as of the date that this Communiqué enters into force shall be concluded according to the provisions hereof.

(2) Validity of the prospectuses regarding foreign capital markets institutions that were registered with the Board for public offering at the time the nullified Capital Markets Law no. 2499 was in force shall be subject to the provisions of Prospectus and Issue Document Communiqué (II-5.1). With regard to the sales of foreign capital instruments realized during the validity period of the prospectus, additional prerequisites envisaged by article 5 shall not be sought.

(3) Funds registered with the Board prior to the publication of this Communiqué must comply with the provisions hereof within one year after this Communiqué enters into force. Otherwise, the fund representative must apply to the Board for cancelling the fund prospectus from the trade registry.

(4) For funds that were registered with the Board prior to the publication hereof, the amounts envisaged in sub-paragraphs (c) and (d), paragraph one, article 21 shall not be applicable.

(5) With regard to the pending applications for the approval of fund prospectuses regarding the sales of the shares of foreign investment funds at the time that this Communiqué was published, the amounts envisaged in sub-paragraphs (c) and (d), paragraph one, article 21 shall be applicable.

Provisions for the Transition Period

TEMPORARY ARTICLE 2 – (1) The relevant provisions of the Communiqué Series III, No. 44, on the Principles Regarding the Registration with the Board and Sales of Foreign Capital Market Instruments and Depository Receipts, published in the Official Gazette no. 27738 dated October 23, 2010 shall be applied until the relevant articles hereof get into force.

Effectiveness

ARTICLE 37 – (1) The following articles hereof become effective on the following dates:

a) Articles 14 and 15 will be effective for the financial statements for the periods that end after December 31, 2013.

b) Articles from 21 to 34 (excluding sub-paragraphs (c) and (d), paragraph one, article 21), and paragraph two of article 36 on July 1, 2014.

c) Sub-paragraphs (c) and (d) of article 21 and other provisions hereof at the time that this Communiqué is published.

Enforcement

ARTICLE 38 – (1) The Board enforces the provisions hereof.

APPENDIX/1

DOCUMENTS TO BE APPENDED TO THE APPLICATION TO THE BOARD FOR FOREIGN CAPITAL MARKET INSTRUMENTS AND DEPOSITORY RECEIPTS (*) (**)

1. Information and documents envisaged in the Board's Communiqués, depending on the features of the relevant foreign capital market instrument (equity, bond, etc.).

2. Statement by the foreign company/depository institution to the effect that the holders of capital market instruments/depository receipts domiciled in Turkey are entitled to the same rights as those domiciled abroad.

3. Statement by the foreign company/depository institution to the effect that all and any disputes arising from the legal status, public offering, sales and transactions by the representative shall be subject to Turkish law in terms of both content and procedure, and Turkish courts and judiciary bodies will be authorized in the settlement of disputes.

4. Information on the legal system to which the capital market instrument and the foreign company are subject in the home country, and a statement by the foreign company/depository institution to the effect that it has fulfilled the legal requirements regarding establishment, operation, and issuing capital market instruments to which it is subject in its home country.

5. Statement by the foreign company/depository institution to the effect that the country where the foreign capital market instruments have been issued does not impose any restrictions on the sales, realization of the procedures and payments vested with such instruments, and exercising of the related managerial rights in Turkey.

6. Statement by the foreign company/depository institution to the effect that the foreign capital market instruments are not subject to any restrictions of transfer and circulation or exercising the rights of the holder, and information as to whether they are subject to usufruct.

7. Documents regarding the listing or being permitted to trade on a market, if any.

8. Information on the foreign stock exchange/s on which the foreign capital market instrument is listed or traded, if any, and unless listed or traded, the reasons therefor.

9. In the case of foreign capital market instruments sold through depository receipts, informative documents about the custody institution where the foreign capital market instruments will be kept.

10. Information about all procedures that will be realized until the sales will be concluded in Turkey, a copy of each contract to be signed, duly approved signature circulars of the parties, and information on all organizations that will take part in this process.

11. Rating reports.

12. If any, a copy of each of the prospectus, announcement and other notices published abroad for the foreign capital market instrument.

13. Information on the performance of the exchange-traded capital market instruments of the issuer.

14. Approved copy of the document from the relevant custody institution showing that the entire foreign capital market instruments represented by depository receipts are kept by the custody institution in the name of the depository institution.

15. Electronic certificate application document submitted to the electronic certificate service provider by the foreign company, representative and depository institution.

(*) In cases of sales by allocation method or sales to qualified investors, only the documents in articles 1, 2, 4, 5, 6 and 14 shall be required.

(**) If such information and documents cannot be provided due to the restrictions envisaged by the relevant country's legislation, equivalent documents may be accepted, subject to the approved of the Board.

APPENDIX/2

DEPOSITORY RECEIPT MONTHLY NOTIFICATION FORM

Representative/Depository Institution's Title:

Title of the Issuer of the Foreign Capital Market Instrument Represented by the Depository

Receipts:

Custody Institution's Title, Address, Telephone Number:

Total Nominal Value of the Depository Receipts Issued in Turkey:

Total Nominal Value of Depository Receipts:

Total Nominal Value of Foreign Capital Market Instruments:

Available at the Custody Institution as of end of the month

Nominal Value of Depository Receipt Acquisitions:

Nominal Value of Depository Receipt Sales:

Nominal Value of Depository Receipts Replaced with Foreign Capital market instruments

During the Month

APPENDIX/3

MINIMUM REQUIREMENTS FOR FUND REPRESENTATION CONTRACTS

- a) Fund issuer's commercial title, nationality, headquarters address, paid-in capital, date of establishment and field of activity,
- b) Fund representative's title, headquarters address and paid-in capital,
- c) Group and current value of the shares of the foreign investment fund,
- ç) Principles regarding the method for determining the trading price, places where the sales will be realized, and principles regarding announcement of the price,
- d) Principles for exercising the rights regarding the shares of foreign investment funds, method of payments concerning the fund, and method of determining the payment date,
- e) Principles regarding the transfer of the payments related with the shares of foreign investment funds in accordance with the relevant legislation,
- f) The fact that the fund representative is authorized to sell and buy back the shares of foreign investment funds in Turkey in the account of the fund and/or itself,
- g) Principles regarding the fund issuer's liability to inform the fund representative on the trading price, and if any, stock exchange price of the shares of foreign investment funds; principles regarding the fund representative's liability to inform the fund issuer of the shares that it acquired on account of the fund, etc. on a daily basis,
- ğ) Fund issuer's liability to inform the fund representative of the date and agenda of the fund issuer's general assembly meetings, and any legal changes regarding the fund issuer and the fund, etc.
- h) Principle regarding the liabilities including all the information that the fund issuer is required to submit to the Board and to announce according to this Communiqué, and developments which may influence the price of the shares of foreign investment funds,
 - ı) The fact that the events required to be disclosed according to the Board's arrangements will be published by the fund representative on PDP,
 - i) The information that the fund issuer deems necessary to be disclosed to the public in addition to those required by the Board, and the method of disclosure of such information,
 - j) Information about the procedures to be applied in the event that the parties fail to fulfill their obligations,
 - k) Fund issuer's letter of undertaking that it will comply with the Board's decisions in the event that the contract is terminated and a new contract is not signed with another fund representative, and the liabilities of the parties arising herefrom will survive until the Board completes the necessary procedure,
 - l) Ratio or amount of commission in return of the services to be provided by the fund representative,
 - m) Principles regarding the foreign currency to be used in trading of shares,
 - n) Name and title of the persons authorized to act on behalf of the fund issuer, fund representative, and other related organizations and companies, and communication principles,
 - o) The party that will bear the costs of sales of the shares of foreign investment funds,

announcement and advertisement costs, and other similar costs,

ö) Unless a provision on arbitration is included in the contract or a separate arbitration agreement has been signed between the parties, a statement that Turkish law will be applicable and Turkish courts will be authorized in the settlement of disputes arising from the legal quality, issue and/or sales of the shares of foreign investment funds.

APPENDIX/4

TABLE TO BE USED BY FUND REPRESENTATIVES TO ANNOUNCE INFORMATION ON THE FUND

INFORMATION ABOUT THE FUND

Name	Net Asset Value	Total no. of Free-Floating Shares in Turkey	Sales Price as of month-end	Market Capitalization of the Free-Floating Shares in Turkey

APPENDIX/5

TABLE TO BE USED FOR THE NOTIFICATIONS BY INSTITUTIONS THAT PROVIDE INTERMEDIATION SERVICES IN TRADING OF THE SHARES OF FOREIGN INVESTMENT FUNDS BY PERSONS DOMICILED IN TURKEY, SUBJECT TO LEGISLATION ON THE PROTECTION OF THE VALUE OF TURKISH CURRENCY

INFORMATION ON INTERMEDIATED FUND TRADES

PERTAINING TO THE PERIOD:

Date	Fund's Name	Fund's Country	No. of Shares Sold	No. of Shares Returned	Share Price	Total Amount

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