DenizYatırım

CAPITAL MARKET INSTRUMENTS PRODUCT BASED RISK INFORMATION FORM

Customer Number:

09/20 F-YTÜ.024 B 1.3

DenizBank
INVESTMENT SERVICES GROUP

Deniz Invest is a member of DenizBank Investment Services Group.

CAPITAL MARKET INSTRUMENTS PRODUCT BASED RISK INFORMATION FORM

OBJECTIVE:

This form has been prepared in addition to the GENERAL RISK INFORMATION FORM taken within the scope of Capital Market Board (CMB) Communique No. III-39.1. The objective is to notify the customer of risks related with Debt Instruments, Equities, Stock Exchange Investment Fund, Warrant, Certificate and Subscription Right Coupon and other capital market instruments that will be accepted as Share Equivalent by CMB, Investment Funds, Istanbul Stock Exchange Derivatives and Options Market and Foreign Derivative Instrument Transactions, Over the Counter Derivative Products, Leveraged Trading Transactions for which intermediary role will be assumed for the purpose of selling and buying as a Bank/ Intermediary Institution.

Profits may be generated and there will be risk of losses as a result of trading transactions of Capital Market Instruments. Therefore, a customer must make a decision in consideration of financial position and limitations upon understanding the risks that may be encountered within the scope of transactions before deciding on initiating them.

Account that will be opened for the customer by the Bank / Intermediary Institution and all Capital Market Instrument trading transactions that will be carried out over such account are subject to all legislations and similar administrative regulations enacted by the Capital Market Board.

DEFINITIONS:

Agreement: (In connection with derivatives) Each deal signed by customer with the counter party.

Initial Margin: An amount that must be depositedwhile opening position. In VIOP transactions, mentioned margin is deposited to Settlement and Custody Bank.

Debt Instruments Market: A market established within Borsa Istanbul A.S. for trading debt instruments.

Securitized Asset and Income Backed Debt Instruments: Bonds, bonds convertible into equities, convertible bonds, bills, precious metal bills issued by the issuers acting as borrower in accordance with the provisions of Capital Market Legislation and capital market instruments that will be accepted as debt instrument by the Board in accordance with the Capital Market Legislation.

Stock Exchange (Istanbul Stock Exchange): Stock exchange where stocks, warrants, certificates, bonds, future deliverables agreement, options, international capital market instruments, precious metals and other agreements, documents and assets found acceptable by the Board are traded.

Stock Exchange Investment Funds: Stock Exchange Investment Funds (BFY) are investment funds based on an index, aimed at reflecting the performance of that index to the investor of which equities are listed in stock exchanges. BYFs reflect the profit and bear the risk of equities in the index they are based on or other instruments (gold, bond, foreign currency, etc.).

Underlying Asset: Represents which asset is related with the future deliverables and option agreements traded by parties (interest, stock index, foreign currency, etc.).

Foreign Currency: Foreign country currencies that are considered as convertible currencies in accordance with the Decree No. 32 on Protecting Value of Turkish Lira.

Interest Payment Date: The date on which interest will be paid in an amount calculated in accordance with the information provided on the Transaction Instructions of a Party that is obliged to pay interest for any Derivative imposing liability to pay interest for at least one of the parties or Interest Swap.

Physical Settlement: Agreement performance method leading to the change of control in connection with the asset backing the Transaction Instruction between Parties at the end of the maturity period.

Fund: Investment fund issued with subscription shares connected to an umbrella fund.

Fund prospectus/prospectus: Public information document containing all kinds of information that will allow investors to make a conscious evaluation considering particularities of the fund and associated rights and risks.

Founder: Portfolio management company.

FOREX (Leveraged Trading Transactions): Forex (FX) is an abbreviation of English words “Foreign Exchange” and means International Money Market that is an over the counter (OTC) financial market generally involving leverage and is subjected to instantaneous changes based on prices created by demand and supply in connection with currencies of countries. To put it simply, Forex is about buying

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and selling currency of another country or commodities such as petroleum, gold against the currency of another country.

Leveraged trading transaction represents buying and selling transactions performed in electronic environment in leveraged manner in connection with all currencies, assets, precious metals and other assets determined by the Board against margin deposited.

Margin Call: Calling customer to bring the margin up to minimum maintenance margin.

Contract for Difference (CFD): A financial agreement made between the Customer and provider of contract for difference against a certain amount of margin deposited, reflecting the difference between the opening and closing price to the account in cash based on the direction of the current position, providing leveraged transaction opportunity without any underlying asset.

CFD Transaction: Transaction for buying and selling economic and financial indicators traded in an organized market, capital market instruments, commodities, precious metals and foreign currencies in over the counter market over a leverage ratio based on prices in the relevant market.

Strike: Price that will be specified in the Transaction Instruction and used to calculate the gross profit that may arise to the benefit of the Option Buyer based on price at which option transaction will be realized in case Option Buyer uses option right in option transactions or market price arising on the maturity date in case of cash settlement or reference price calculated with another method specified in the Transaction Instruction.

Issuer (for Debt Instrument): Legal persons issuing debt instruments, submitting application to the Board for issuing or legal persons whose debt instruments are offered to the public.

Issuing Company: Joint stock companies issuing Equities and Equity Equivalents.

Istanbul Settlement and Custody Bank (Takasbank): Settlement of all buying-selling transactions in Istanbul stock Exchange (in case of buying transactions, payment of the money and taking over the capital market instrument; in case of selling transactions, delivering the capital market instrument and collecting the money) are performed by Takasbank. Takasbank offers various banking services to its members.

Business Day: Bank / Intermediary Institution shall be closed during National Holidays, weekends and public holidays and other days accepted by the Association of Banks / Turkish Capital Market Union and such days are not considered as business day in affairs with the Bank / Intermediary Institution. In addition, Customer accepts that holidays abroad shall also be taken into consideration and no transaction shall be performed in connection with the position on such days.

Transaction Instruction (or "Instruction"): Information form containing a confirmation on the content of the transaction intended to be performed by the customer which specifies the terms of Transaction.

Transaction Date: Date specified in the Transaction Instruction issued by the Bank / Intermediary Institution for each transaction performed in accordance with the provisions of this Agreement.

Leverage Ratio: The ratio showing the amount of position that can be purchased against the margin deposited for the purpose of leveraged transactions. The Board is entitled to change this ratio and set asset backed leverage ratio when deemed necessary. Leverage ratio to be applied to customers in case of leveraged transactions is freely established under the framework agreement to be signed subject to the condition of not exceeding 10:1 ratio.

Margin in Leveraged Transactions: DenizYatırım accepts only American Dollar margins.

Public Debt Instruments: Debt instruments issued by Under-secretariat of Treasury in the domestic or foreign markets. Treasury Bonds, Government Bonds, TCMB Liquidity Bills, Eurobond, Revenue Sharing Certificates and Revenue Indexed Securities are public debt instruments.

Law: Capital Market Law No. 6362.

KAP: Public Disclosure Platform

Subscription Share: Certificate that allows an investor to subscribe to a fund portfolio. Holders of subscription shares are not entitled to join the fund management. Subscription shares are followed in records in the name of the investors by MKK.

Short Position (Option Agreements):

1. In case of call option, obligation to sell an asset constituting subject matter of the agreement or

entering into cash settlement over the price specified and in quantities determined in the agreement within or until expiry of the agreement term.

2. In case of put option, obligation to buy an asset constituting subject matter of the agreement or entering into cash settlement over the price specified and in quantities determined in the agreement within or until expiry of the agreement term.

Short Position (In Option Agreements): Obligation to sell an asset constituting subject matter of the agreement or entering into cash settlement over the price specified and in quantities determined in the agreement upon expiry of the agreement term.

Credit Limit: Limit made available to the Customer subject to the approval of the Bank / Intermediary Institution at its own discretion.

Strike Price: In option agreements, price at which call or put option in connection with asset under the agreement within or upon expiry of the maturity term.

Central Securities Depository (MKK): Merkezi Kayit Kurulusu Anonim Sirketi with special legal status that was founded for the purpose of performing operations in connection with dematerialization of capital market instruments, monitoring the records of the dematerialized instruments and associated rights in the electronic environment by subscribers and right owners, keeping them centrally and fulfilling other duties assigned by the Board within the framework of the capital market legislation.

Central Counterparty (MKT): Central settlement institution guaranteeing the completion of settlement by assuming the role of seller against buyer and buyer against seller.

Cash Settlement: Transaction where the remaining amount is paid upon calculating the difference between the price in the Transaction Instruction and spot price instead of delivery of the asset under the Transaction Instruction.

Option: Option agreements are agreements giving option buyer Call Option or Put Option in connection with an asset subject to pre-determined price, quantity and type within (European Option) or until (American Option) expiry of a certain term and imposing obligation to call or put the underlying asset in the agreement. Detailed information on option agreements can be found at www.borsaistanbul.com address.

Option Expiration Date and Time: Final date and time specified in the Transaction Instruction at which intend to use Option can be notified to the Bank / Intermediary Institution in case Option Buyer is a Customer.

Option Premium Payment Date: Date on which Option Premium must be paid. (In case Option Payment Date is not specified in the Transaction Instruction, Option Premium is paid on Transaction Date.)

Option Buyer: Real or legal person buying option by paying Option Premium.

Option Seller: Real or legal person selling option to the Option Buyer against Option Premium.

Private Sector Debt Instruments: Debt instruments issued by private sector corporations. Bonds, bonds convertible into equities, convertible bonds, bills, precious metal bills and capital market instruments accepted by the Board as debt instrument in accordance with the Capital Market Legislation are private sector debt instruments.

Equities: Securities that represent the capital of the partnership and giving partnership rights to the respective owners.

Portfolio: The entirety of the capital market instruments (equity, bond, bill, reverse repo, etc.) and precious metals such as gold in which an investment fund invests.

Portfolio Management: Operations such as buying-selling assets (investment instruments such as equities, bonds and bills) for the portfolio within the limitations specified under the legislation and internal regulation and collecting proceeds of such assets (such as interest and profit share).

Position Limits: Maximum position that can be held in total as of all delivery dates for each agreement, account and/or Stock Exchange member or as subtotal at various delivery dates under the same agreement.

Repo / Reverse Repo: Repo is selling of a security with regular income by guaranteeing to buy back under predetermined conditions upon expiry of a certain period of time. Party that buys the relevant security with sell back guarantee enters into reverse repo.

Session hours: Hours of market operations at Istanbul Stock Exchange can be found in the website at http://www.borsaistanbul.com/urunler-ve-piyasalar/islem-saatleri address.

Certificates: Certificates are financial instruments imposing financial liabilities on issuer and investor. Funds obtained as a result of issuing certificate are within the financial responsibility of the issuer. For this purpose, it is important to take factors such as financial position, payment capacity, credibility of the issuer during the investment. Certificates are financial products designed as a capital market instrument giving right to receivables to the respective investors upon occurrence of the pre-determined conditions.

Agreement: This Agreement and annexed written documents as well as versions thereof that may be amended, annexed or modified time by time.

CMB: Capital Market Board.

Maintenance Margin: Lower limit at which amounts of margins that are revised against daily price movements in the market must be maintained.

SWAP: Exchange agreement parties mutually exchange an asset or different interest payments or foreign currencies subject to liabilities within a certain period of time.

Umbrella Fund: A collective investment scheme covering all funds for which subscription shares are issued subject to one internal regulation.

Takasbank Stock Exchange Money Market: It is an organized money market operated by Takasbank, where bids / offers of members with excess funds / funding needs match.

Dissolution: Termination of each agreement and closure of the relevant position.

TEFAS: Turkish Electronic Fund Distribution Platform.

Margin Call: If the total margin available in an account drops to or below the level of maintenance margin, Settlement and Custody centre calls the position holder to bring the amount of margin up to the initial margin. This call is named margin call.

Reverse Transaction (In Over the Counter Transactions): A new Derivative Transaction ending all or a part of the rights and liabilities related with the initial Derivative Transaction by reversing the rights and liabilities concerning the Derivative Transaction under the same conditions as the initial Derivative Transaction in case of a Derivative Transaction realized under an agreement.

Reverse Transaction - Position Closure: Termination of a position by taking short position versus long position and long position versus short position until the final trading day in the market where the agreement in question is traded provided that it is performed under the agreement with the same conditions.

Derivative Instrument: The following instruments and other derivative instruments considered within this scope by the Board:

1. Derivative instruments granting right to call or sell or exchange securities,

2. Derivative instrument with value that is based on the price or proceeds of a security; foreign exchange rate or changes in such rate; interest rate or changes in such rate; price of a precious metal or stone or changes in such price; price of a commodity or changes in such price; statistics published by the authorities approved by the Board or revisions in such statistics; an index level allowing the transfer of a credit risk that contains measured values such as energy prices and climate parameters and formed by using such figures or changes in such level; derivatives of such instruments granting right to exchange with derivatives and the aforementioned underlying assets,

3. Leveraged transactions that will be performed on foreign currencies and precious metals, and other assets determined by the Board.

Derivative Transaction: Future transactions performed between the Bank/Intermediary Institution and Customer using Derivative Instruments.

Settlement Price: Price calculated in accordance with the rules of the Stock Exchange based on the type of agreement in order to use for end of day updates of accounts.

Settlement Date: Date on which Parties make mutual payments or exchange in case option is used within the scope of Option transactions.

Long Position (In Option Agreements):

1. In case of call option, obligation to sell an asset constituting subject matter of the agreement or entering into cash settlement over the price specified and in quantities determined in the agreement within or until expiry of the agreement term.

2. In case of put option, obligation to buy an asset constituting subject matter of the agreement or entering into cash settlement over the price specified and in quantities determined in the agreement within or until expiry of the agreement term.

Long Position (In Option Agreements): Liability to enter into cash settlement or buy asset constituting subject matter of the agreement at price and in quantities specified in the agreement upon expiry of the agreement term.

Maturity Date: It applies to Derivative Transactions other than option transactions and it implies the date on which actual payments arising from each Derivative Transaction will be made by parties as specified in the Transaction Instruction or date on which Transaction will be closed upon fulfilment of all payment liabilities of Parties arising from Derivative Transaction.

Futures: Transactions regulating the liability to put or call Derivative Instruments in standard types and quantities at a predetermined price at a certain maturity date, which do not cause exchange of the assets between Parties during the signing of the Agreement.

Futures Agreement (VIS): Futures agreements are agreements that impose liability to put or call underlying asset subject to predetermined price, quantity and type at a certain maturity date. Detailed information on Futures Agreements can be found at www.borsaistanbul.com address.

Investment Framework Agreement: Framework agreement stipulating the general terms and conditions of investment services and operations between Customer and Bank / Intermediary Institution.

Investment Enterprise: Investment enterprise licenced by the Board with exclusive power to perform investment services and operations specified in subparagraphs (a), (b), (c), (e) and (f) in paragraph one of Article 37 of the Law.

Investor Information Form (In Investment Funds): Abstract form showing the structure, investment strategy and risks of the fund.

Investor Protection Fund (YTM): Public entity that was founded for the purpose of implementing the protection decision taken by the Board pursuant to the law in case liability to deliver capital market instruments or make cash payment arising from investment services and operations are not fulfilled by the investment enterprises. It is compulsory for investment enterprises to join Investment Protection Fund pursuant to paragraph 2, article 83 of the Capital Market Law No. 6362. You can get detailed information on extent of protection provided by the Investor Protection Fund from the website at http://www.ytm.gov.tr/yatirimcibilgilendirme/koruma-kapsami.aspx address.

DEBT INSTRUMENTS RISK INFORMATION FORM

A) PROCEDURE

Debt instruments issued against payments in Turkish Lira and foreign currencies, securitized asset and revenue backed debt instruments, TCMB liquidity bills and other capital market instruments permitted to be traded by the board of directors of the Stock Exchange are traded in the Debt Instruments Market. Transactions with same day value-date take place between 09:30-12:00 and 13:00-14:00 and transactions with future value-date take place only between 14:00-17:30 during the week. Half day session hours are 09:30-11:30. Session hours are set and changed by Stock Exchange. (https://www.borsaistanbul.com/urunler-ve-piyasalar/piyasalar/borclanma-araclari-piyasasi/islem-saatleri)

B) GENERAL INFORMATION ON DEBT INSTRUMENTS:

Information on some risk levels and target group is provided below based on the capital market instrument in connection with the debt instruments:

Debt Instruments	Risks	Benefits	Target Customer	Market Conditions
Treasury Bill/ Zero Coupon Government Bonds	There is a risk of suffering losses in connection with the capital if increased interest rates apply when sold before maturity.	Generating fixed income, safe investment, possibility to sell before maturity, lower withholding advantage compared to the deposit interest, possibility of 2nd hand trading.	Customers who want to make medium and long-term investments without taking any risks.	Environment with positive economic expectations.

Coupon Government Bonds	There is a risk of suffering losses in connection with the capital if increased interest rates apply when sold before maturity.	Generating fixed income in the long term (in case of fixed coupon), safe investment, possibility to sell before maturity, possibility of 2nd hand trading.	Customers who want to make long-term investments without taking any risks.	Environment with positive economic expectations.
Eurobond	It may cause investor to suffer losses from the capital as a result of losing value due to increased interest rates; issuer enterprise bears liquidity and currency risk. Eurobond investments may lose value due to the increase in CDS premiums despite an increase in foreign exchange.	Generating fixed income, safe investment, possibility to sell before maturity, interest payment within certain intervals, investment in foreign currency, tax advantage and 2nd hand trading.	Customers who want to make long-term investment, without taking any risks, customers who want to invest in foreign currencies.	Expectations in the domestic and foreign markets, environment with increasing credibility for the country.
Private Sector Bills and Bonds	Investors also take principal and return risk due to default risk of issuer enterprise and secondary market that is not liquid.	Opportunity of receiving return above benchmark interest rate by taking risks.	Customers who want to invest in alternative instruments in the medium and long term and generate fixed income.	Environment with positive economic expectations.
Repo/ Reverse Repo Transactions	The relevant institution keeps securities for the investor against investment made. Therefore, the risk is at minimum levels.	Not affected by market conditions, generating income at minimum risks.	Customers who do not want to take risks, be affected by market conditions and want to make short-term investment.	Market conditions subject to risks relatively higher, upward interest expectations that raise concerns about avoiding risks.
Takasbank Money Market Transactions (BPP)	When a BPP transaction is carried out, the guarantor is Takasbank. For this reason, the risk is kept to a bare minimum.	Not affected by market conditions, generating income at minimum risks.	Customers who do not want to take risks, be affected by market conditions and want to make short-term investment.	Market conditions subject to risks relatively higher, upward interest expectations that raise concerns about avoiding risks.

TRANSACTION COMMISSIONS, FEES AND TAX AMOUNTS OR RATES

Current commission rates applicable to customers for outright buying/selling transactions in BIST Debt Instruments Market are available in websites of DenizBank and DenizYatırım.

C) WHETHER THE RELEVANT CAPITAL MARKET INSTRUMENT IS TRADED IN SECOND-HAND MARKET

Debt instruments are issued by the government and private sector enterprises and they are traded in the second-hand market.

D) RISKS THAT MAY BE ENCOUNTERED IN THE DEBT INSTRUMENTS MARKET

1. Transactions carried out in the Exchange Market in connection with buying-selling debt instruments are subject to risks. Securities deposited in the Investment Enterprise may be subject to cash losses as a result of the price movements in the market. If margin trading is performed, all of the securities and cash may be lost as a result of losses caused by price movements and the loss suffered may even exceed the invested amount.

2. Securities traded in the Debt Instruments Market are affected by price movements, speculative and manipulative interventions arising from the general economic and political climate.

3. Financial conditions of the private sector enterprises issuing debt instruments may worsen, companies may go bankrupt and company assets may be seized by the government.

4. Exchange Market is entitled to delist Issuer Companies with debt instruments traded in the debt instruments market and remove the debt instruments of the Companies failing to meet their liabilities from the Exchange List permanently or temporarily in accordance with the regulations of CMB and Exchange Market.

5. For transactions carried out in the debt instruments market, settlement value date is (T+0) and settlement value date for securities with foreign currency payments is at least business day (T+1) later. Default arises in case settlement liabilities are not fulfilled within this period of time. In case of default, DenizBank/ DenizYatırım may sell the deposited capital market instruments in the exchange market or other regulated markets provided that they are not sold below the current market values, collect the receivables from the proceeds of sale or transfer such instruments to its ownership against the liabilities, without being subject to the obligation of serving a notice or warning, allowing time extension, obtain permission or approval from the judicial or Administrative authorities or fulfilling any condition precedent such as liquidating the deposited instrument through auction or any other way.

6. In case a selling order is issued for the purpose of performing a transaction in the debt instruments market, there is a risk of not selling the debt instruments immediately after receiving the order if no order is available meeting the order given. Likewise, buying transaction shall not be realized immediately after receiving the order if no order is available meeting the order given in case a buying order is issued.

7. In case of debt instrument transactions carried out over electronic transaction platforms, it is possible to encounter various risks arising from various problems that may be encountered with the information infrastructure.

E) MARKET MAKING MECHANISM

In the debt instruments market, institutions designated as Market Maker by T.R. Under-secretariat of Treasury may enter market making quotations for all benchmark issues determined by T.R. Under-secretariat of Treasury in accordance with the Operational rules of the market.

F) RISK MONITORING IN DEBT INSTRUMENTS MARKET

Investment institutions acting as intermediary for buying and selling the debt instrument do not have any responsibility about the aforementioned risks such as redemption, capital, liquidity and currency risks in connection with the debt instruments.

G) TRANSACTIONS IN FOREIGN MARKETS

In case of Eurobond transactions, transfer of the funds to Euroclearing accounts against the securities are made via intermediary banks.

H) MISCELLANEOUS

Custody of capital market instrument for the customer:

Settlement and custody services are provided by Istanbul Takas ve Saklama Bankasi A.S. (Takasbank A.S.), a separate and independent organization founded by Istanbul Stock Exchange and Members thereof. Capital risk is eliminated by implementing delivery against payment in settlement transactions. Securities issued abroad are kept in custody in international correspondent of DenizBank/DenizYatırım. Protection system and scope may change from one country to other regarding capital markets tools kept overseas.

Compulsory insurance agreements providing protection guarantee, an investment fund guarantee or investor protection system are not available in the debt instrument market against events such as price movements in the market, financial incapacity or bankruptcy of the issuer, etc. including the mistakes made by the employees of the investment institution.

Information may be obtained from the website at http://www.ytm.gov.tr/yaticimcibilgilendirme/koruma-kapsami.aspx in connection with the scope of protection offered by Investor Protection Fund in case of claims arising from the failure of fulfilling liabilities such as cash payment or delivery of the capital market instruments kept in custody or managed by the investment institutions for and on behalf of the investor.

All kinds of details and explanations in connection with the transaction are provided in the framework agreement for the purpose of stipulating legal relationship between parties fully and clearly.

RISK INFORMATION FORM FOR EQUITY AND EQUITY EQUIVALENT CAPITAL MARKET INSTRUMENTS

A) EQUITIES (STOCKS)

Equities and stock certificates are issued by joint stock companies and represent subscription to the company's capital. An investor becomes shareholder of the company upon acquiring equities.

Right to acquire share from balance at liquidation is subject to prescription of 10 years starting from the date of liquidation. **Capital gain** means proceeds generated from the potential increase in the value of a stock. However, it should be noted that prices of shares constantly change in the stock exchange due to the demand and supply conditions depending on the expectations of investors, thus prices may also decline.

Capital Increase: Addition of internal funds to the capital without distributing the profit share is called capital increase by bonus issue and increasing the capital by collecting funds from the shareholders is called capital increase through rights issue. Time allowed for using the right of refusal in the course of capital increase through rights issue cannot be less than 15 days and more than 60 days.

Shareholders can benefit from the capital increase and dividend payment only when share certificates are registered in the customer account one day before such operation.

B) WARRANT

Warrant is a capital market instrument that gives respective holder right to buy the underlying asset or indicator against a certain price on a certain date or until a certain date and allows the use of such right through book-entry delivery or cash settlement. An investor who buys warrant does not buy the underlying asset but buys the right to sell or buy the underlying asset.

Procedures on Warrants, Rights and Liabilities are explained below;

- Maturity period of warrants cannot be less than two months and more than five years.
- In case of warrants with underlying asset or indicator that is a basket consisting of stocks in BIST 30 index or multiple stocks within the scope of BIST 30 index, method of settlement is designated as book-entry delivery or cash settlement. Underlying indicator is stock certificate indexes created by the Stock Exchange. It is compulsory to apply cash settlement principles in case of warrants with underlying asset or indicator other than those specified above.
- Issuer is responsible to fulfil the settlement liability arising from the warrant issue. In the presence of a Guarantor, Issuer and guarantor shall be responsible conjointly.
- Warrant transactions are subject to risks at varying rates. All of the funds invested may be lost as a result of the price movements in the market and losses may even exceed the amount invested depending on the transaction carried out.
- It should be noted that warrant transactions may operate to the favour or against the favour due to the leverage effect, hence leverage effect may bring high income or lead to substantial losses.
- If you buy a warrant and you decide to use the right to buy or sell the underlying asset or indicator at a predetermined price on a certain date or until a certain date, then it is possible for you to limit your risk with the price paid for the warrant and commissions and other transaction fees.
- It should be kept in mind that information provided and recommendations made by a customer representative in connection with the warrants traded in the market may be incomplete and require verification.
- It should be noted that technical and basic analysis made by customer representative in connection with buying-selling warrant may vary depending on the person and forecasts depending on such analyses

are subject to the risk of not occurring.

- It is compulsory to specify in the prospectus the risk management policy in connection with the risks exposed by the issuer by reason of the warrant issue. Prospectus is published in the internet site of the market maker and issuer as a requirement of the communique.
- In case of warrants and/or underlying assets in foreign currency, it should be noted that there is a risk of currency exchange rate in addition to the aforementioned risks, losses in Turkish Lira may be suffered due to exchange rate fluctuations, governments may restrict the foreign capital and exchange rate movements, impose additional and/or new taxes and buying-selling transactions may not be realized in timely manner.
- This risk information form is intended to provide you information on general risks and it may not cover all risks that may arise from selling and buying capital market instruments. Therefore, a careful research must be carried out before using savings in this type of investments.

C) TRANSACTION COMMISSIONS, FEES, AMOUNT OR RATE OF TAXES

Commission at a rate specified in the framework agreement signed with the customer and account maintenance fee are charged over the sum of buying and selling transaction made within the scope of the investment service and operation. In addition, customers shall also be charged taxes, fees, commissions and expenses that may be introduced or incurred after signing the Framework Agreement as a result of legislative amendments.

Pursuant to Tax Law, BITT equal to 5% of the commission is collected from the customer and paid to the tax office. For example, if commission rate is 0.2% (two thousandth), you will be charged 21 TL in total, namely, 20 TL commission and 1 TL BITT as a result of buying or selling transaction in an amount of 10.000 TL.

In addition, expenses incurred for sending monthly notifications to your notification address, mail / cargo / courier expenses in connection with documents sent by our Organization upon your request and fees, order cancellation fee, tax, commission and expenses charged by the Central Settlement Institution for the relevant accounts are also reflected to the customers. Additional operational fees may also be reflected in addition to such fees by the Organization.

https://www.borsaistanbul.com/urunler-ve-piyasalar/piyasalar; https://www.takasbank.com.tr/trmevzuat/ucret-tarifeleri; https://www.mkk.com.tr/tr/content/Bilgi-Merkezi/Tarife

In case banks charge expenses from our organization in connection with taxes, fees, commissions and expenses charged for your EFT / Remittance transactions, the same amount shall be reflected to our customer.

In case of margin trading, interest income is charged over the amount of credit. Stamp duty calculated over the credit amount shall be borne by the customer.

Buying-selling proceeds are subject to withholding tax. Withholding rate is determined by the Council of Ministers.

Profit shares are subject to withholding tax. Issuer transfers the net amount to the accounts of the holders of stock certificates upon deducting income tax and withholding from the dividend payable to real persons. For example, if 1.00 TL shall be paid per issuer, 0.85 TL shall be transferred to the account of the investor and 0.15 TL shall be paid to the tax office (assuming that the rate of withholding tax is 15%). In case the sum of profit shares collected exceeds the limit determined by the revenue administration, such sum must be specified in the income tax declaration form.

Income tax withholding rate is 10% for proceeds generated from buying-selling stock certificates of stock exchange investment funds and Capital market instrument Investment Trusts.

D) SECONDARY MARKET TRADING

Secondary market is classified into two groups: exchange market and over the counter market. Standard products accepted to exchange markets are traded via investment enterprises subject to certain rules. Borsa Istanbul A.S. was founded for this purpose. In over the counter market, specific standards are not expected for the traded products, such transactions are made directly between investment enterprises and investors.

Stocks of companies offered to public for trading in the stock exchange represent a new investment option for the investors. Companies that intend to go public must obtain an approval on the prospectus from CMB and fulfil all legal liabilities. Prospectus, issue certificate and other public disclosure documents published for this purpose are important resources to take into consideration in order to get information on the company and make investment decision.

Please click the following link for Stock Market Session Hours of Istanbul Stock Exchange: htttp://www.borsaistanbul.com/urunler-ve-piyasalar/piyasalar/pay-piyasasi/islem-saatleri

TRADING RULES

Equities traded in the Stock Exchange are listed in Star Market, Main Market, SubMarket, Watchlist Market (YIP), Pre-Market Trading Platform (POIP). Equities not included within the Stock Market: Structured Products and Fund Market (YUFP), Equity Market for Qualified Institutional Buyers (EMQI). These stocks are subject to different trading principles depending on the specific aspects of the relevant market or platform.

Star Market and Main Market Group are available for margin trading and short selling. While general provisions apply in open position in case of day trading in Star Market group, it is implemented 50% in Main Market and 100% in SubMarket, YIP and POIP Groups.

Rate applicable to equity account is subject to general provisions for Star Market Group, it is 75% for Main Market and “0” for others.

Related transaction principles differ depending on the CMB and BIST anouncements/precautions

Please click the following link for the current list and classification:

https://www.borsaistanbul.com.tr

- **Pre-Market Trading Platform Instruments**

Stocks of the companies selected by CMB from companies that are recorded in the Capital Market Board’s (CMB) register but were not listed in the Stock Exchange before are traded in the Pre-Market Trading Platform (Platform).

- **Watchlist Market**

Watchlist Market is a market where stocks can be traded in Istanbul Stock Exchange in continuous monitoring, control and surveillance environment subject to providing information to investors regularly in case it becomes compulsory to monitor and control the companies due to emergence of certain conditions.

- **Collective Investment Products and Structured Products Market**

Stocks of securities investment companies, real estate investment companies and venture fund investment companies and stock exchange investment fund subscription certificates, intermediary warrants and certificates are traded in the Corporate Products Market that is a national market.

- **Equity Market for Qualified Institutional Buyers**

In this market, stocks of the companies issuing to only qualified investors without going public are traded between qualified investors.

- **Pre-Market Trading Platform**

Of public companies that are not listed on the Stock Exchange, shares of those allowed by the CMB to be traded on this Platform shall be traded on the Pre-Market Trading Platform (formerly. Free trading platform).

- **SubMarket**

In SubMarket shares, taking into account that depth/liquidity may be limited and therefore the possibility of strong up/down price movements may be higher, in order to be aware of the market risks, to evaluate these risks and to limit the price risk, buy and sell orders should be placed with limit prices as much as possible.

E) RISK PROFILE

It should be noted stocks change in the stock exchange momentously depending on the supply and demand expectations. Possibility of suffering losses is called risk. Investments made in the capital market bear the risk of losing the money invested due to uncertainties about the future.

Political unrest, decline in economic indicators, shrinkage in the operations of the enterprise issuing he relevant investment instrument or decline in the financial position, changes in the interest rates, changes in the foreign currency exchange rates, volatility of the investment instrument price are some of the several risks that may affect the return of the investment instrument.

In general, if risk of an investment instrument is high, expectation of generating high proceeds from that instrument increases. However, it should be noted that risk of obtaining the expected high income, losing a part or all of the funds is as high as the income expectations in a high-risk investment. Accordingly, a sound decision must be made in connection with the risk that will be taken when making an investment.

In general, risks in connection with capital market instruments are classified in two main groups:

- Risk arising from general factors affecting all financial instruments: macro-economic conditions such as conditions in the global markets, rate of increase in per capita income of the country, foreign trade balance, current balance, budget balance, interest rate, inflation rate and foreign exchange rates are some of the important factors affecting the risk. For example, general recession in the economy can have an effect on all financial instruments while climate conditions pose risks affecting stock prices of enterprises operating in the agriculture sector. It is possible to avoid a risk arising from climate conditions by not buying the stocks of companies in the agriculture sector while it is not possible to avoid the risk arising from economic recession by making a choice based on the stocks.
- Risks that arise from specific aspects of a financial instrument (liquidity risk, market risk, counterparty risk).

- **Liquidity Risk**

1. Make sure that you get information on the secondary market of stock certificates bought during the public offering process. Trading conditions of the markets in the stock exchange and other markets may be different.
2. There is no liquidity guarantee in the stock certificates. Liquidity may increase or decrease based on the market conditions. Market makers of the stock certificates with Continuous Auction with Market Maker system guarantee a certain level of liquidity by constantly entering buying and selling quotations.
3. Issuer is obliged to comply with the regulations of the Board and Stock Exchange. Otherwise, issuer may be delisted from the stock exchange temporarily or banned from trading permanently. In this case shareholding rights continue but liquidity of the stocks may decline substantially. If a stock certificate is delisted permanently, then it will not have any liquidity possibility in the stock exchange markets and other markets.
4. In case certain threshold is exceeded in the trading prices, Stock Exchange may bring forward measures on stock transactions.

- **Market Risks**

1. Stock certificates are capital market instruments without any return guarantee. Profits may be generated from the stock certificate purchased or otherwise, there is a risk of suffering losses. You can liquidate stocks traded in the stock exchange at any time as long as there is a buyer. However, if the market price is lower than the buying price at the moment of selling, then losses will be suffered. You can avoid such losses by waiting until the current market prices increase. Otherwise, you can sell your stock certificates in case of constant decline in the markets in order to avoid higher losses.
2. An order issued at once cannot exceed the limit determined by the stock exchange. You can give buying and selling order for an amount equal to a maximum of 3 Million TL if the limit determined by the stock exchange is for instance, 3 Million TL. It is possible to send a new buying and selling order to the system for an amount that does not exceed 3 Million TL once the previous order is entered into the system.
3. There is no price guarantee for stock certificates in the secondary market. Redemption schemes applied by the issuers do not mean price guarantee. It should be noted that a stock certificate may remain below the buying price for years.
4. Stock certificates do not give profit share guarantee unless it is specified in the articles of association of the issuer and it is approved in the general assembly meeting. Companies act in accordance with the profit distribution policy they developed. It is worth getting information by obtaining the profit distribution policy of the relevant company.
5. If company is subject to liquidation process, shareholders may receive a share in proportion with their respective shares from the balance remaining upon making payments to all debtors.

6. Your status as a shareholder may be terminated under certain conditions stipulated in Article 27 of the Law. In this case, price determined against the stocks held by you is deposited into your account and your stock certificates are deemed non-existing.

- **Counterparty Risk**

1. The most important risk that may be encountered by the investors in the course of settlement process would be "Counterparty Risk". Counterparty risk is the risk of losses that may be suffered by the other party when one of the parties to the buying-selling transaction in the capital market does not fulfil the liabilities of that transaction. This risk has been minimized for some products including equity market and viop market through effective guarantee procedures and guarantee fund practices applied by Settlement and Custody Bank.

2. DenizYatırım does not have any information and provide any guarantee in connection with the sufficiency of the guarantees given by the "counterparty", its status, liquidity, issuer in case of buying, selling, lending and short positions.

3. Settlement of the transactions made in Istanbul Stock Exchange markets are made in the accounts held by the Settlement and Custody Bank subject to certain exceptions determined by the Board. Settlement date is the second day following the transaction date. No liability is fulfilled before that date and provisions on default apply to liabilities that are fulfilled after the settlement.

4. Accounts of the intermediary and customers are held separately by Settlement and Custody Bank. You can monitor the accounts in Settlement and Custody Bank for checking the types and numbers of the stock certificate you hold. You can block such accounts and prevent selling until you unblock.

5. Issuers in the registered capital system may be entitled to restrict your right to buy new stocks.

6. In case of capital increase by bonus issue, shares payable to stock certificates you hold are transferred to your account. In case of capital increase by rights issue, share price must be transferred to the account of your issuer within the specified period of time in order to have right to receive shares. You will lose right to receive new shares when share price is not transferred to the relevant account within the specified period of time.

- **Margin Trading, Short Selling and Lending Risks**

1. Credit capital market instrument buying transaction means purchase of capital market instruments by a customer by obtaining credit in accordance with the principles in the communique. Short selling transaction means short selling of capital market instruments by showing a guarantee for a certain period of time in accordance with the principles under the relevant framework agreement. Short selling can be made for Star Market, Main Market stock certificates. Short selling does not apply to SubMarket, YIP-POIP group stock certificates.

2. Transaction for lending and borrowing capital market instruments means lending of the capital market instruments for a certain period of time by lender to the borrower in accordance with the principles under the relevant framework agreement and redemption of the capital market instrument against equivalent in return. Customers may refer to the Securities Lending Market under Takasbank BIST Takas ve Saklama Bankasi A.S. (Settlement and Custody Bank) for the stock certificate they want to short sell. Before initiating the lending transactions made in the Market, borrower provides a guarantee to the lender in an amount equals to 115% for BIST 30 shares and 120% for others, of the securities borrowed. Minimum ratio for equities is 100%.

3. It should be noted that, in case of margin trading or short selling transactions, trading with low equities may serve to the favour or against the relevant party due to leverage effect and this leverage effect may lead to high income or substantial losses.

4. In the calculation of equity ratio in case of credit buying and short selling of capital market instruments, 100% of instruments such as cash, government bond, treasury bill, Mutual Funds (excluding stock funds) fund participation certificate, 90% of Star Market stocks and/or securities that are submitted as Stock Fund participation certificate, 75% of Main Market stocks are considered as equity. SubMarket, YIP-POIP stocks are not accepted as equity in margin trading.

5. There is a certain minimum equity (depositing of cash or capital market instrument in advance in an amount equal to the current market value of the capital market instruments subject to credit purchase) ratio that must be made deposited by customers to the intermediary for capital market instrument

transactions. Customers are obliged to deposit equities at minimum ratio of 50% in the beginning of credit capital market instrument transactions and short selling transactions and they are obliged to make equities available at a ratio of 35% for the continued credit capital market transactions.

6. In case equity ratio available in the Credit Account drops below the compulsory ratio as a result of changes in the current market conditions of the capital market instruments, intermediaries must notify the customer for the purpose of completing in cash and/or capital market instrument on the day shortage is discovered.

7. Intermediary is entitled to close the credit account by liquidating the capital market instruments of the customer in case the equity is not completed within the period of time specified in the Framework Agreement for Credit Capital Market Instrument Transactions provided that such period does not exceed two business days starting from the receipt of the margin call.

8. You may be subject to the risk of losing all or more of your initial capital when you buy stock certificate on credit. For example, if you have 500 TL capital and buy stocks against 1000 TL from the intermediary by paying 500 TL and the price of the stock decreases by 50%, value of your stock certificate that was initially 1000 TL will be reduced to 500 TL. In this case, if you do not maintain your equity ratio, you will lose initial capital of 500 TL while closing the credit you obtained.

F) MARKET MAKING

Equities of securities investments companies, real estate investment companies and venture capital investment companies and stock exchange investment fund subscription certificates, intermediary warrants and certificates traded in the Collective Structured Products Market are subject to compulsory trading with “Continuous Auction with Market Maker Method”.

Information regarding the method used in the transaction of stocks is available on Stock Exchange Daily Bulletin.

With the new market structure, as of 01/10/2020, market making activities can only be optionally realized for stocks only in Main Market (including Real Estate Investment Trusts, Venture Capital Trusts, Investment Trusts).

It is principle to implement market making activities in Exchange Traded Funds and continuous trading method is implemented in case of market making activities. If there is no market maker in Exchange Traded Funds, single price transaction method is implemented in that trade.

Investment establishment warrants and certificates can be traded only with market maker, continuous trading method. If there is no market maker in the mentioned investment tools, trading of relevant ranks are stopped till a market maker comes into office.

Market making activities can be executed optionally in lease certificates based on ownership, which are traded with continuous trading method in Structured Products and Fund Market, real estate certificates, real estate investment funds, venture capital funds.

Market making activities cannot be executed in YİP and POİP.

https://www.borsaistanbul.com/urunler-ve-piyasalar/piyasalar/pay-piyasasi/piyasa-yapicilik

G) RISK MANAGEMENT

- **Principles on Risk Management**

Our organization developed a risk management system in accordance with the structure of the invested assets and risk levels as well as investment strategies in connection with the portfolio intermediary services. Risk management system functions in an integrated manner with the internal control system.

- **Principles on Hedging**

1. Measures for hedging may be taken into consideration as discount item in calculation of the open position in case risks in connection with certain assets in the portfolio are eliminated provided that the criteria specified below are met.

a. Leveraged transaction is not used for the purpose of generating revenue,

b. Risk level of the fund is reduced,

c. Risks arising from transactions leading to leverage are reduced,

d. Underlying assets of the hedge transactions are the same,

e. Hedge transactions must fulfil this function under adverse market conditions.

2. Hedge transactions intended for foreign exchange risks are considered as hedging without requirement to meet the aforementioned conditions provided that they do not create additional open position and/or market risk.

3. Reduction of the market risk (beta hedging) is considered as protection against risk when short position is taken in transactions leading to index-based leverage for the purpose of eliminating the risk.

4. Investment strategies aimed at eliminating the risk arising from a shareholding in the portfolio through taking reverse position to the transactions leading to leverage based on another shareholding are not considered as hedging even if correlation between the revenues of both shareholdings is high.

H) TRANSACTIONS IN INTERNATIONAL MARKETS

There are two components of stock certificate transactions realized by DenizYatırım in international markets via Bloomberg transaction terminals. 1) International broker that DenizYatırım works for stock certificate transaction. 2) International custodian account ECLR(EUROCLEAR) that is used in securisation.

1) Transactions can be carried out in major markets within international markets transaction provisions via broker through which DenizYatırım realizes international stock certificate transactions on behalf of its customers. Here, major markets mean USA and Eurozone region countries. Stock certificate buying-selling transactions in the international markets are carried out in the secondary market. International market stock transactions cannot be subject to margin trading. There is no market maker.

Commission at a rate specified in the framework agreement is charged over the amount of buying and selling transaction made within the scope of investment services and operations.

Customer is responsible to make the filings in connection with the taxes applicable over buying and selling proceeds.

2) Settlement of transactions carried out in international stock markets (securisation) is realized via Euroclear custody institution through DenizYatırım's intermediary Takasbank. Securisation is carried out via DenizYatırım's Settlement Department's placing an order in realized transactions. Settlement date is T+2 days for USA and all Eurozone countries. Relevant currency (US Dollars or Euro) should be available in DenizYatırım's DenizBank US Dollar or Euro accounts in order for the transaction to be realized. DenizYatırım may provide custody services in securities that have custody properties. For securities that lack custody properties, DenizYatırım can carry out inquiries through Takasbank Euroclear. For instance, custody service is not available for some ETFs and ETNs under DenizYatırım's account with number ECLR 79082.

Liability is not fulfilled before the expiry of the aforementioned period and provisions on default apply to liabilities fulfilled upon expiry of the settlement period. It should be noted that there is a risk of currency exchange rate in addition to the aforementioned risks, losses in Turkish Lira may be suffered due to exchange rate fluctuations, governments may restrict the foreign capital and exchange rate movements, impose additional and/or new taxes and buying-selling transactions may not be realized in timely manner in case of foreign currency transactions.

In addition, settlements which are carried out via Interactive Brokers, international intermediary institution with which we have an agreement, are realized via Interactive Brokers accounts. Detailed information is available in Customer information and risk statement form for international market transactions and CUSTOMER INFORMATION AND RISK STATEMENT FORM FOR TRANSACTIONS WITH INTERNATIONAL MARKET PROPERTIES. Our customers who have an account opened in Interactive Brokers and whose transactions are realized may initiate proceedings by signing relevant forms.

Settlement of all buying-selling transactions carried out in stock exchange markets (taking the delivery of capital market instrument upon paying the price in case of buying transactions and delivery of the capital market instrument and collection of the price in case of selling transactions) is made by Euroclear via Takasbank. Money transactions are realized through SWIFT between Takasbank Euroclear and foreign currency account of DenizYatırım in DenizBank.

You can see the types and the number of your stock certificates over the accounts in DenizYatırım. However, capital market instruments or customer assets are kept in a pool account opened in the name of DenizYatırım through Takasbank Euroclear Customer allocations are made at Tradesoft (GTP).

There is an investor protection system in the markets but it is a system designed as a pool instead of customer specific system.

I) INTERMEDIARY PORTFOLIO MANAGEMENT

DenizYatırım can provide investment consultancy, portfolio management and intermediary public offering services as a part of intermediary portfolio management services. This may lead to conflict of interest. DenizYatırım gives utmost priority to the interests of customers against potential conflicts that may arise from the revenue structure.

If DenizYatırım received commission, discount or similar benefits from an issuer or investment institution by reason of a buying-selling transaction made within the scope of the intermediary portfolio management service, this is disclosed to the customer and a warning note is included in the public offering document.

In case of intermediary management services for personal portfolio, Equities that are not traded in the exchange markets and/or equities above the market value are not accepted to the managed portfolio without written instruction of the customer and no asset is sold from this portfolio below such values. Buying-selling transactions are not made for self-interests. Behaviours expected from a prudent merchant are displayed and conflict of interest is not permitted in connection with the managed portfolio. In case of managing multiple portfolios, no transaction is made to the favour of one or more of the portfolios in a manner disfavouring the others by breaching the objective good faith principles. No verbal or written guarantee is given for generating certain amount of income with the portfolio. The Relationship Manager provides information to the portfolio owner about the role of DenizYatırım in the relevant public offering.

DERIVATIVES RISK INFORMATION FORM

A) TRANSACTION COMMISSION, FEES, AMOUNT AND RATE OF TAX

Commission at a rate specified in the framework agreement along with account maintenance fee is charged over the amount of buying-selling transaction made within the scope of Futures and Options Market. BITT equal to 5% of the commission is collected from the customer pursuant to the Tax Law and it is paid to the tax office. For example, if your commission rate is 0.1% (one per mille) and transaction volume is 1.000 TL, then 1 TL commission and 0.05 TL BITT are charged from the customer.

In case of future transactions made in Istanbul VIOP, settlement fee is deducted at a rate of 0.0008% (8 millionth) over premium amount in forward agreements based on the stock market index while 0.001% (1 hundred thousandth) settlement fee is deducted on other forward transactions.

In case of options transactions made in Istanbul VIOP, settlement fee is deducted at a rate of 0.002% (2 hundred thousandth) over premium amount in options agreements based on the stock market index while and 0.0015% (1,5 hundred thousandth) in other option agreements.

The aforementioned rates are determined by the Settlement and Custody Bank and current rates can be found at the following address:

http://www.takasbank.com.tr/tr/Sayfalar/ucret-ve-komisyon-tarifeleri.aspx

Tax

Buying and selling proceeds are subject to withholding tax. Rate of withholding tax is determined by the Council of Ministers.

Interests of the cash margins deposited to Settlement and Custody Bank are subject to 15% withholding. The relevant withholding is final so it is not necessary to declare the relevant proceeds.

Procedures applicable to short and long position holders are not different in taxation of proceeds generated from futures agreements. In case agreement is extended through cash settlement or closed by taking reverse position, withholding is imposed at a rate of 10% for proceeds generated from foreign currency, gold, commodity and electricity futures agreements. Withholding rate is 0% for futures agreements based on stocks and stock index. As the relevant withholdings are final, it is not necessary to declare the relevant proceeds. Income or losses from the same type of capital market instrument can be set off. However, the relevant losses cannot be deducted from other income subject to taxation.

In case of holding long position within the scope of option agreements, withholding at a rate of 0% is applied to the income generated from the option agreements based on stock and stock index if agreement is extended through cash settlement or closed by taking reverse position (difference between the option premiums collected and paid). As the relevant withholdings are final, it is not necessary to declare the relevant proceeds. Income or losses from the same type of capital market instrument can be set off. However, the relevant losses cannot be deducted from other income subject to taxation. In case agreement is terminated without using the right under the agreement, option premium paid cannot be deducted from the other income subject to taxation.

TAXATION OF INCOME GENERATED IN VIOP	WITHHOLDING LIABILITY				BITT LIABILITY
	Personal Investors		Corporate Investors*		
	Full Liability	Limited Liability	Full Liability Capital Company/ Investment Fund and Trusts	Limited Liability Capital Company/ Investment Fund and Trusts	BITT Payers
Income generated from agreements based on stock and stock index	0%	0%	0%	0%	Excluded
Income generated from agreements other than those based on stock and stock index	10%	10%	0%	0%	Excluded

Tax rates may be changed by the Ministry of Finance; current tax rates may be found in the following link: http://borsaistanbul.com/urunler-ve-piyasalar/vadeli-islem-ve-opsiyon-piyasasi/vergilendirme

B) SECONDARY MARKET TRANSACTIONS

Markets where securities are traded after the initial issue are called secondary markets. Transactions in the Futures and Options Market are secondary market transactions.

C) RISK PROFILE

Possibility of suffering losses is called risk. Investments made in the capital market bear the risk of losing the money invested due to uncertainties about the future. Political unrest, decline in economic indicators, shrinkage in the operations of the enterprise issuing he relevant investment instrument or decline in the financial position, changes in the interest rates, changes in the foreign currency exchange rates, volatility of the investment instrument price are some of the several risks that may affect the return of the investment instrument. Futures and Options Market provide investors with opportunity of taking high amount of position by making small investments and generate high income with the help of the leverage effect. However, leverage effect brings the risk of suffering losses in a shorter time and in higher amounts compared to the spot market. All of the margin deposited may be lost as a result of the price movements in the market and such losses may exceed the total amount of the margins.

In Option Agreements, option risk for the long position holder is limited to the premium paid. However, risks may be unlimited for the short position holder. If there is an agreement for high number of prices, liquidity problem arises except for the widely used agreements and the difference between buying-selling price offers grows. This situation leads to difficulties in position closure and profit realization.

In general, if risk of an investment instrument is high, expectation of generating high income from this instrument increases.

Liquidity Risk

Derivatives Markets provide opportunity to invest in the same level of underlying assets by making lower investments compared to the spot markets. Thus larger masses are provided with the opportunity to make investment and liquidity in both markets increases. Agreements are futures agreements in the Futures and Options Market. Exchange Market determines the term and other aspects of the agreements. Liquidity problem arises in connection with derivatives agreements in case of high number of agreements and maturities.

Order may not be realized in the absence of sufficient number of buyers and sellers due to market conditions. It might be necessary to enter the order at different price levels for the purpose of effecting transactions.

Market Risks

VIOP agreements are capital market instruments without any guaranteed income. Profits may be generated from VIOP transactions; however, it may also result in losses. Positions opened in the Derivatives Market can be closed by selling or buying over the market prices. Profit will be made in case market price is higher than the cost of the position opened and losses may be suffered in case it is lower than the cost.

Counterparty Risk

Istanbul Takas ve Saklama Bankasi Anonim Sirketi guarantees the completion of the settlement by assuming the role of seller against buyer and role of buyer against seller in connection with the markets or capital market instruments approved by the Capital Market Board.

Guarantee Fund is a fund created with the contributions of central counterparty members other than the margins kept in the Settlement and Custody Bank for the purpose of using in case of nonfulfillment of the liabilities in connection with the capital market instruments or market for which central counterparty services are provided.

D) MARKET MAKING

Market makers are institutions that issue buying and selling orders for each agreement under their responsibility and providing liquidity for the market by making transactions pursuant to such orders in accordance with the authorizations and principles established by the board of directors of Istanbul Stock Exchange. Board of Directors of Istanbul Stock Exchange is entitled to decide on which agreements market making system will be applied.

Market making system may be differentiated based on the instrument, agreement type and agreement. One market maker may be used for multiple agreements or multiple market makers may be used for one agreement.

E) RISK MANAGEMENT

In line with CMB and Stock Exchange legislation, Settlement and Custody Bank carries out risk and margin management for the transactions realized in the Stock Exchange. For accounts that have position, a three-tiered risk management system is implemented; before the transaction, during the transaction and after the transaction.

Risk management before the transaction is realized by PTRM, a risk management application used before the transaction. Risk controls may be realized in different stages; before orders are accepted to the system (before order), after they are accepted (after order) and during the transaction. BISTECH Margin Management algorithm is utilized in line with settlement management on portfolio basis, implemented by Settlement and Custody Bank in risk management after transaction. Parameters that constitute the basis for margin calculation are determined and announced by Settlement and Custody Bank. Risk management after transaction contains position and margin balance in a specific time together with risk and margin calculations that are carried out by using current prices of them.

After a transaction is carried out in the system, latest position information of the account and parameters that are updated in line with new prices are considered to calculate margin to be made available and usable margin. When the usable margin, calculated by Settlement and Custody Bank, is negative, the account becomes risky and all pending orders of the relevant account are cancelled. In this case, relevant account may only enter orders that reduce position.

In the day and in evening session, Settlement and Custody Bank may consider a specific ratio of the margin to be made available as maintenance level. Ratio regarding the day maintenance level is determined by Settlement and Custody Bank by considering market conditions and announced in the form of a general letter. Maintenance level is not implemented at the end of day.

All passive orders of the account that exceeds the maintenance level in risk calculation and that has insufficient margin in day and evening session risk calculations are automatically canceled in Stock Exchange transaction system and communication of orders that increase position are barred.

At the end of day, margin call is made for accounts whose margin amount falls below the margin level to be made available or which has TL margin gap. Margin call may also be made in day for accounts that exceed risk/margin criteria set by Settlement and Custody Bank. Transactions that are realized in the evening session are not considered when calculating end of day margin call. These transactions are added in the end of day cycle for the following business day. Accounts which has margin call or which are in default may exit margin call default status by only depositing cash margin and/or making transactions that reduce the margin to be made available. Accounts that receive margin call must fulfill their obligations no later than 14:00, T+1 day. Losses and premium debts are reflected on accounts in T day, whereas profits and premium receivables are reflected on accounts in T+1 day by Settlement and Custody Bank.

During controls for margin withdrawal transactions in the session, margin to be made available and calculated day or confirmed loss amounts will be deducted from the total margin amount in the accounts of Settlement and Custody Bank when calculating withdrawable margin and total profit figure will not be considered in withdrawable margin calculation.

F) TRANSACTIONS IN INTERNATIONAL MARKETS

Transaction commission+ Exchange Market Fee are charged in transactions carried out via platforms of the foreign company (Interactive Brokers), with which we have an agreement, depending on the number of monthly contracts. For example, if usd 15 commission+ exchange market fee is charged from a transaction in which 30 monthly contracts are made, then total amount payable will be 15*30=450 USD+ Exchange Market Fee.

Exchange market fees are announced in the websites of the relevant exchange markets as they vary depending on the relevant exchange market. Foreign derivatives, bill and stock transactions are made over OEC iBroker or oec trader of Gain Capital Company in the United States of America and via Triland Metals in London Metal Exchange. Exchange market shares and settlement fees collected against transactions made over the platform are announced in the internet sites of the relevant exchanges. For example, exchange market fees payable against transactions made in exchanges such as CME, NYMEX, ICE can be found in the official internet sites such as www.cmegroup.com and www.theice.com.

Before initiating transactions for customers regarding mentioned products in international market transactions, DENİZYATIRIM CUSTOMER INFORMATION AND RISK STATEMENT FORM FOR INTERNATIONAL MARKET TRANSACTIONS & DENİZYATIRIM CUSTOMER INFORMATION AND RISK STATEMENT FORM FOR TRANSACTIONS WITH INTERNATIONAL MARKET PROPERTIES will be ontained from customers with signature or via internet banking.

In London Metal Exchange, commission is charged as a percentage of the contract value instead of the margin deposited (1/16%) in cases requiring collection of the commission as a certain percentage. For example, if aluminium transaction made at a price of 1820, then the commission will be 1820(price)*25 (contract coefficient) * 1/16% (commission percentage) = 28.43 USD.

Customer is responsible to make filings for the taxation of the buying-selling proceeds.

Derivatives are subject to risks at varying levels. A part or the entire margin deposited may be lost as a result of the price movements in the market and losses may even exceed the total amount of margin.

It is compulsory to deposit initial margin in minimum amount specified by the Exchange for derivatives transactions in foreign countries.

Margin calls must be fulfilled within the specified period of time and as required. Otherwise, position is closed subject to duty of care at market value even if losses occur without requirement to serve any notice.

The relevant Exchanges are entitled to liquidate the positions and set maturity dates or change pre-determined maturity dates of the derivatives contracts in case of certain conditions specified in the legislation.

Risk of not using the option is limited with the option premium and additional commission and other transaction fees paid when an option agreement is bought. In case of buying an option agreement, unlimited risk of loss may arise exceeding the premium payment. If you are called to fulfil this option, you do not have control power. Therefore, experienced persons with high amount of capital should attempt to sell options.

There are several types of options and you must consult to your customer representative about your investment needs and risks involved in this type of agreements.

The possibility of nonfulfillment of the order that is asked to be forwarded to the market via investment companies like our organization must be taken into consideration including the “conditional orders” and “strategy orders” that allow limitation of risks under market conditions where market makers give quotes in the widest band in the presence of market makers in the system in an environment with low liquidity and maximum level of price fluctuations in the market.

For derivatives agreement, it is less risky to take “spread” position under normal conditions. However, spread risk may not be less risky to take long or short position directly in Derivatives Market under extraordinary conditions.

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It should be noted that there is a possibility of achieving benefits or suffering losses as a result of making transactions with low margins due to leverage effect and thus this leverage effect may lead to high amount of income or loss. Orders other than closing the position shall not be realized in case position limit determined by the exchange marker for the account and company is reached.

Information provided and recommendations made in connection with transactions in the derivatives market may be incomplete and require verification. It should be noted that technical and basic analysis made by customer representative in connection with selling and buying derivatives agreements may vary depending on the person and forecasts depending on such analyses are subject to the risk of not occurring. In case of capital market instruments in foreign currency, it should be noted that there is a risk of currency exchange rate in addition to the aforementioned risks, losses in Turkish Lira may be suffered due to exchange rate fluctuations, governments may restrict the foreign capital and exchange rate movements, impose additional and/or new taxes and buying-selling transactions may not be realized in timely manner and risks may arise in connection with the delivery of the physical asset specified in the agreement.

The relevant account may be flagged as “risky account” by the Exchange Market when price movements in the market are against the position taken. In this case, it may not be possible to enter passive orders. Risks related with the customer positions are monitored by the risk reporting unit.

Method of money transfer to overseas

Cash margin is accepted from customers making transactions over the platform. Margins received are kept in the customer account at DenizYatırım.

We collaborate with Triland Metal Ltd in connection with transactions made at London Metal Exchange and margins received are kept in the customer account in DenizYatırım.

Exchanges and Platforms;

Transaction platforms of Interactive Brokers, provide opportunity to make transactions in many derivativesand spot product markets at global level.

Where is capital market instrument or customer asset kept?

Customer positions are kept in Interactive Brokers in case of transactions carried out in the United States and at Trilands Metals in case of transactions carried out in London Metal Exchange.

There are different investor protection systems in different countries in connection with transactions and protection may be provided in accordance with the rules set by the regulatory authorities controlling the foreign institutions and rules of the escrow agent.

RISK INFORMATION FORM FOR OVER-THE-COUNTER DERIVATIVES

A) GENERAL INFORMATION ON OVER-THE-COUNTER DERIVATIVES

Type of over-the-counter derivative	Risks	Advantages	Target Customer	Market Conditions
Forward	Forward transactions are not Capital Protected products. In other words, customers may lose their initial collaterals / investments partially or entirely due to the loss incurred as a result of the transaction. In forward contracts, transaction shall be executed on the maturity date at the agreed upon price and quantity for both the parties. Therefore; • In forward sales transactions; if the market price on the maturity date is higher than the agreed upon price; • In forward purchase transactions; the market price on the maturity date is lower than the agreed upon price; Customers face the risk of losses.	It allows to control the currency risk and to keep it within specified limits. It prevents negative effects of currency fluctuation on deferred payment or collection in an import or export transaction, by means of predetermination of the value of currency. Forward contracts eliminate the uncertainty in currency exchange rate caused by fluctuating exchange rate system. It allows for a net and reliable pricing and budgeting. Currency forward contracts keep the investors safe from currency movements.	It is suitable for the customers who; Engage in export and import business, Face the currency risk in their balances, Conduct transactions for the purpose of asset management, Want to manage the cash flow efficiently, Track the foreign exchange markets and expect to gain from the exchange rate, Have receivables or debts in foreign currency due at a specified maturity date, Earn income and make payments in different currencies, Want to guarantee from today the value of their receivables in Turkish Lira or foreign currencies.	OTC (over-the-counter) markets. The transaction is structured special to the demands and needs of the customers; it does not have a secondary market.

Option	Option contracts have various levels of risks. There is risk of losing entire deposited collateral as well as that the amount of loss may exceed the total collateral (capital sum) as a result of the price movements may occur in the market. In the case that you buy an option but you do not use such option, you may limit your risks to option premium and plus commission and other transaction costs you will pay. If you sell an option, in case of a relatively small adverse market movement, you undertake the potential risk of loss that may exceed the amount of premium you earned by selling the option. When you are asked for the exercise of the option, you will not have any right of choice about itTherefore, only experienced persons who own higher amounts of capital should contemplate to sell options. It should be taken into consideration that conducting transactions with small amount of collateral due to leverage effect may work against you as well as for you in the market and thus due to such leverage effect you may face indefinite and limitless losses as well as you may make high amount of profit.	It is used by the investors who want to avoid the risk that may result from the market price flexibility in order to lock in the future price; by the investors who conduct transactions for purpose of speculation in order to make profit from the price movements; in order to make profit by means of price differences between markets.	Customers who; Perform transactions for the purpose of asset management, Want to manage the cash flow efficiently, Track the foreign exchange markets and expect to gain from the exchange rate, Have receivables or debts in foreign currency due at a specified maturity date, Earn income and make payments in different currencies, Want to guarantee from today the value of their receivables in Turkish Lira or foreign currencies, Engage in export and import business, Face the currency risk in their balances.	OTC (over-the-counter) markets. The transaction is structured special to the demands and needs of the customers; it does not have a secondary market.

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D.C.D	Dual Currency Deposit transaction is a combination of option and deposit. Risk occurs in the option part. Please see the “Option” section above for risks of option.	It is an investment instrument preferred by those who want to increase their profits by taking a moderate risk in line with their expectations. Two different types of returns are gained in the D.C.D: Customer sells the right of selling or buying any currency determined, on a specified maturity date, at a certain price, to bank / intermediary institution and gains option premium in return. Entire amount of the transaction will be locked in a time deposit account on the maturity date and the customer gains deposit interest in exchange.	It is used by the customers who, Want to earn more advantaged return comparing to the deposit interest, Track the foreign currency markets and make profit from the expectations on the foreign currency, Want to make transitions between different currencies within the portfolio diversity, Have exchange rate/ parity aims.	OTC (over-the-counter) markets. The transaction is structured special to the demands and needs of the customers; it does not have a secondary market.

Interest Rate Swap (IRS)	It is not a Capital Protected product. In other words, customers may lose their initial collaterals /investments partially or entirely due to the loss incurred as a result of transaction. In the transactions in which it is turned from floating interest to fixed interest, if interest rates decrease or maintain in a low level; In the transactions in which it is turned from fixed interest to floating interest, if interest rates increase or maintain in a high level; Customers may incur losses.	It is a product that eliminates uncertainty caused by interest rate fluctuations for the customers who face interest risk in their balances and thus enables customers to manage their interest related incomes and liabilities efficiently. Customers use this product in order to eliminate risks of interest rates. It enables customers who have anticipation about the direction of interest rates to gain profits from such anticipations.	Customers who face interest risk due to the items included in their balances. Customers who want to efficiently manage the cash flow, in their receivables and debts, emerging from interest related incomes and liabilities. Customers who have anticipation about the interest rates and who consider to gain profits from such anticipations.	OTC (over-the-counter) markets. The transaction is structured special to the demands and needs of the customers; it does not have a secondary market.
Foreign Currency SWAP	It requires that the transaction is conducted on the maturity date at the price and amount of contract for both the parties. Therefore; If it is a forward sales transaction; in case the price market is higher than contract price on maturity date; If it is a forward purchase transaction, in case the market price is lower than contract price; Customers face the risk of losses.	It is a product that eliminates uncertainty caused by interest rate fluctuations for the customers (who conduct export and import activities) who face interest risk in their balances and thus enables customers to fix the costs and plan the cash flow. It eliminates the exchange rate risk incurred by customers.	Customers who face interest risk in their balances such as those who do export and import. Customers who want to efficiently manage the cash flow caused by the foreign currency related items in their balances.	OTC (over-the-counter) markets. The transaction is structured special to the demands and needs of the customers; it does not have a secondary market.

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XCCY Swap – Cross Currency Swap	In the transactions in which it is turned from floating interest to fixed interest, if interest rates decrease or maintain in a low level; In the transactions in which it is turned from fixed interest to floating interest, if interest rates increase or maintain in a high level; In case the converted (via XCYY Swap) foreign currency gains value against the original foreign currency, Customers may incur losses.	It is a product that eliminates uncertainty caused by fluctuations in interest and exchange rates for the customers who face risks of interest and exchange rate in their balances and thus enables customers to manage their interest and foreign exchange related incomes and liabilities efficiently. Customers may use this product in order to eliminate risks of interest and exchange rates. It enables customers who have anticipation about the direction of interest and exchange rates to gain profits from such anticipations.	Customers who face interest and exchange rate risks due to the items included in their balances. Customers who want to efficiently manage the cash flow, in their receivables and debts, emerging from interest related incomes and liabilities. Customers who have anticipation about the interest and exchange rates and who consider to gain profits from such anticipations.	OTC (over-the-counter) markets. The transaction is structured special to the demands and needs of the customers; it does not have a secondary market.

B) TRANSACTION COMMISSION, PRICE AND AMOUNT OR RATE OF TAX

All types of records / certificates / documentation, tax, process or other conditions related to Over-the-Counter Derivatives shall be carried out by our Institution in accordance with provisions specified by the law makers and competent authorities. In circumstances that the new regulations and amendments put into force, the necessary updates shall be performed.

The conditions which are effective on the issue date of this form are as follows:

- In option transactions wherein the customer is seller of option, the legal persons shall not be subject to taxes (withholding). For natural persons, withholding shall be applied as 10 % of the option premium.
- In option transactions wherein the customer is buyer of option, withholding shall be applied as 10 % for natural persons and 0% for legal persons, over the difference, occurred in favour of customer, between option exercise price and spot rate observed during the accounting at the end of term.
- Withholding shall be applied over the deposit interest, according to the maturity and foreign currency type, at the rates shown in the table below. Withholding shall be applied to the option premium, as 10 % for natural persons and 0 % for legal persons.

	TL Withholding Rate	**Foreign Currency Withholding Rate**
1-180 days	15%	20%
181-365 days	12%	20%
366 days and more	10%	18%

- In Forward transactions, withholding shall be applied as 10 % for natural persons and 0% for legal persons, over the difference, occurred in favour of customer, between agreed upon price and spot rate observed during the accounting at the end of term.
- In SWAP transactions, withholding shall be applied as 10 % for natural persons and 0% for legal persons, over the difference, occurred in favour of customer, between the two legs of the transaction.
- Incomes of the legal persons, emerging from exchange rates are subject to corporate tax.
- There are no fees and commissions for the transactions. In case of any changes on the fees and commissions, it shall be announced on the website of DenizBank.

C) WHETHER RELEVANT CAPITAL MARKET INSTRUMENT HAS A SECONDARY MARKET

Over-the-counter derivative transactions do not have secondary markets.

D) RISKS THAT MAY BE ENCOUNTERED IN OVER-THE-COUNTER DERIVATIVES

1. The account which shall be opened in the financial institution and all purchase and sales transactions on over-the -counter derivatives to be carried out over this account shall be subject to all relevant legislations and all similar administrational regulatory provisions issued by Capital Markets Board of Turkey.

2. Over-the-counter derivative transactions are performed with negotiation between parties of the transaction in line with the needs of each. Therefore, before the transaction is performed, it is necessary to assess the capacity of the counter party for fulfilling its obligation arising from the transaction. Contracts can be made regarding the clearance and settlement of transactions within the scope of over-the-counter markets. However, the existence of such contracts does not provide any guarantees or protection for the parties during the finalization of transactions.

3. In over-the-counter derivative transactions, financial institutions can bring the parties together by acting as market makers, mediate the transactions by finding a counter party which will meet the needs of the customer or close the transactions which they previously performed for their own portfolio, by taking a reverse position against their own portfolio. Transactions that are performed in this way with financial institutions which can be defined as market makers must be considered to have been performed with third parties. In transactions performed in this scope, market making financial institutions must not be seen as the party counselling for the transactions or as a depository, considering their technical knowledge and experience on the market and individual transaction. For a complete and clear determination of legal relations between the parties, every detail and remark that is within the scope of transaction shall be included in the Contract between them. It would be suitable to take counselling in legal issues before performing such transactions.

4. Because over-the-counter derivative transactions are structured in order to meet different and specific needs of the parties and parties of transactions have different characteristics (i.e. subject of activity, financial structure etc.), they may involve some special risk factors which cannot be identified at the beginning. In this respect, it is recommended for the parties to take professional assistance in the issues such as the suitability of over-the-counter derivative contracts for their own specific needs, risk factors involved, and the applicability of legal sanctions.

5. As well as the return of over-the-counter derivatives, the amount of loss which may be incurred may also be high. In addition, the parties may incur losses in amounts which could not be quantitatively demonstrated at the beginning of transaction. For instance, in an over-the-counter derivative transaction structured as capital-protected, many different risk factors must be taken into consideration such as the failure to return the capital in consequence of the termination of transaction by the executives, pursuant to the legislation which the parties are subject to within the scope of transaction.

6. Due to the fact that over-the-counter derivative transactions are structured according to personal needs and due to the limitations of contracts regarding the finalization or assignment of transactions, liquidation of any over-the-counter derivative transaction may not be possible even if it includes a stop loss order over the starting price or any price.

7. The responsibility of making evaluations regarding the market risk shall be completely assumed by the parties that incur this risk. Within the framework of contract provisions, during the term of over-the-counter derivative transaction, parties (including intermediary institutions) do not have the obligation to

provide information to other party/parties of the transaction regarding the market and price movements.

8. Within the scope of over-the-counter market derivative transactions, there are no mandatory insurance contracts that guarantee indemnification, including the erroneous transactions of the employees of the Bank / Intermediary Institution. It is possible to perform the over-the-counter market derivative transactions with a low amount of equity capital. However, considering the leverage rates of over-the-counter derivatives, even the collaterals received under certain circumstances (i.e. negative market developments, counter-party risk etc.) may not be sufficient to partially cover the sum required to finalize the transaction. There is no guarantee by investment institution or investor compensation system for the circumstances such as price movements in the market, failure of the exporter on payments or exporter's bankruptcy. For claims resulting from default of obligations on submitting the cash payment or capital market instruments that are safeguarded or administrated by investment institutions in the name of the investor and about the compensation coverage of Investor Compensation Fund please visit: http://www.ytm.gov.tr/yatirimci bilgilendirme/koruma-kapsamı.aspx

9. In over-the-counter derivative transactions to be performed on electronic transaction platforms, it is possible to encounter different risks arising from possible inconveniences to be experienced in information infrastructure.

E) MARKET MAKING MECHANISM

There is no Market Making Mechanism in over-the-counter derivative transactions.

F) GENERAL STRUCTURING AND PRICING PRINCIPLES FOR OVER-THE-COUNTER DERIVATIVES

Pricing of the over-the-structure derivative transactions are carried out parallel to the market prices taking place in data providers such as Bloomberg, Reuters etc. considering the Bank / Intermediary Institution position management.

G) MONITORING RISKS OF OVER-THE-COUNTER DERIVATIVES

For over-the-counter derivative transactions, collateral determined by the Bank / Intermediary Institution is received. Amounts of the collaterals may change depending on the variables such as derivative transaction to be performed, foreign currency to be used and maturity date. Sufficiency of collateral is tracked daily in terms of the current market prices of over-the-counter derivative instrument. In case the collateral is insufficient, customers shall be informed; in case the loss increases, margin call is made to customers; if sufficient amount of collateral is not submitted, the liquidation of over-the-counter transaction shall be carried out. For details please see below.

• **Margin Call:** In case the amount of unrealized losses, with respect to the market prices of open positions, becomes equal to or exceeds 60 percent of the current collateral amount in Customer's account, the Bank / Intermediary Institution warns the Customer to close the position partially or entirely within 24 hours or submit the necessary supplementary amount in order that the total amount of unrealized losses becomes less than 60 percent of collateral.

• **Right of Early Termination of the Contract by Bank / Intermediary Institution:** In case the amount of unrealized losses on open positions exceeds 80 percent of the current collateral amount in Customer's account or falls below the minimum remaining balance without such exceeding, the Bank / Intermediary Institution shall be entitled to liquidate the open positions without further time, pursuant to provisions of "Derivative Transactions Framework Contract" signed between the parties and the laws.

Therefore, it is required to fulfil the requests for supplement the collateral made by the Bank / Intermediary Institution in the required term and manner, otherwise it is required to accept the closing of position at the market price even if it means a loss in the scope of relevant debt without further notify.

H) GENERAL STRUCTURING AND PRICING PRINCIPLES FOR OVER-THE-COUNTER DERIVATIVES

Structuring and Pricing of Over-the-Counter Derivatives

Leveraged trading transactions shall be carried out by matching the best purchase and sales prices with auction method performed consistently in the liquidity pool provided by market-making national and/or international banks.

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I) CONFLICT OF INTERESTS

Circumstances in which the investment institution takes position as counter party of the customer and the loss incurred by customer results in profit for investment institution may lead to conflict on interests.

DenizBank/DenizYatırım informs the customer about the potential conflict of interests and puts the customer's interests first.

J) MISCELLANEOUS

Safeguarding the capital market instruments in the name of customer:

Whether markets in which the transactions are carried out have investor compensation system; if available, the coverage of the compensation;

Over-the-counter derivative transactions are performed in line with the needs of customer. Therefore, before the transaction is performed, the Bank needs to assess its capacity for fulfilling its obligation arising from the transaction. Contracts can be made regarding the clarification and barter of transactions within the scope of over-the-counter market. However, the existence of such contracts does not provide any guarantees or protection for the customer during the finalization of transactions.

RISK INFORMATION FORM FOR LEVERAGED TRADING TRANSACTIONS

A) COMMISSION, PRICE AND TAX AMOUNT OR RATES FOR THE TRANSACTION

All types of costs and service charges (i.e. account maintenance fee, mailing and notary fees for account statement and other notifications, EFT costs, charges for exercise of other rights and other costs and service charges to be paid to third parties and similar expenditures) resulting from the transactions, in the scope of Leveraged Trading Transactions Contract, that are conducted by DenizYatırım and/or third parties shall be paid by the customer. You should receive a confirmation about all the commission and other transaction fees, stated in the contract, which you will be subject to before starting to perform the transactions. In case the costs are not expressed monetarily, you should demand a written explanation containing clear examples on how the costs will be applied to you.

Customer shall be responsible for all the costs, commissions, taxes and charges resulted from the transactions such as bank transfer, EFT and other banking procedures carried out by DenizYatırım during leveraged trading transactions.

B) WHETHER RELEVANT CAPITAL MARKET INSTRUMENT HAS AN SECONDARY MARKET

Leveraged Trading Transactions do not have secondary markets.

C) RISKS THAT MAY BE ENCOUNTERED IN LEVERAGED TRADING MARKET

Risks related to Communication

Investor cannot hold the investment institution liable for the inconveniences that may occur in internet service providers, mobile communication services, national and/or international internet connections and/or mobile communication services and failures in connection both for the parties, while placing orders on Transaction Platform.

Considering that connection problems may occur in the transactions conducted on the mobile transaction platforms such as IOS, Android and other electronic transaction platforms, you should be aware that you are responsible for checking whether those transactions have reached the Electronic Transaction Platform or not.

Risks related to Market

It should be noted that in leveraged trading transactions, the orders that are placed on Electronic Transaction Platform may not be executed at demanded prices due to the severe price movements in the market; and the transaction prices may change due to volatility that may occur especially when liquidity is in low levels in the market, at opening and closing hours of the markets, in the days and hours when local / international markets are closed, moments when important news and information are delivered in the market or when an unexpected incident happens; and such price changes may be against your interest as well as in your interest.

Orders on the Electronic Transaction Platform, on which the transactions are carried out, may be entered by the customer either by choosing the option of new order entry and by entering required parameters (on active or passive order, amount of transaction, currency) or with one click / one touch. When the customers who have their one click / one touch tabs enabled (One Click Trading) click on the key, they send order at the market price and the transaction is carried out at the active price for that time. It should be noted that every types of orders may be executed at the current market price due to the spreads and/ or price gaps may occur in the markets' openings, in the moments when important news and information is delivered, also due to decrease in liquidity. This situation may be against your interest as well as in your interest. You should decide to place active orders according to such case. Stop loss orders (conditional purchase, conditional sales or stop loss) may be executed at a price against customer's interests instead of the limit price determined by customer. It should be noted that this kind of orders may be executed at the current market price due to the spreads and/or price gaps may occur in the markets' openings, in the moments when important news and information is delivered, also due to decrease in liquidity.

Transactions which are open while the markets get closed may be opened at a negative value due to instant price changes (gap) during re-opening of the markets, and may cause loss.

It should be known that, in the cases that the difference between purchase and sales prices are spread, your collateral may become insufficient and open positions in your portfolio may reach the stop-out level and may be liquidated (closed by the system) even if you take the reverse positions to the relevant positions (even if you are hedged). Open positions cannot be closed by reverse transactions, as performed in other markets. Under normal circumstances, taking reverse position may help to postpone the need to supplement collateral temporarily, however this should not be considered as a permanent remedy in terms of sustainability of your transactions.

In leveraged trading transactions, the parity prices and spreads offered to you may not reflect the best price condition. It is recommended that you check the prices applied by other institutions.

Leveraged trading transactions are highly risky. It should be taken into consideration that conducting transactions with small amount of collateral due to leverage effect may work against you as well as for you in the market and thus due to such leverage effect you may face great amount of losses as well as you may gain high amount of profit. The entire amount of collateral may be lost because of price movements that may occur in the market; moreover the amount of losses may exceed the total sum of collaterals in case that the conditions stated in the legislation related to Capital Market Board have been met for Demand-Oriented Professional Customer. Please do not rely on high return commitments.

You should note that the information to be provided by us for the transactions you will perform as well as the recommendations may be incomplete and need verification. The technical and basic analyses to be performed with respect to the leveraged trading transactions may vary from person to person and the estimations stipulated in such analyses may not take place.

Exchange Rate Risk

It describes the potential loss resulting from the uncertainty caused by the fluctuations in exchange rates. It should be noted that an exchange risk appears for the transactions performed in a foreign currency in addition to the abovementioned risks; Turkish Lira may depreciate due to exchange rate fluctuations; governments may restrict foreign capital and purchase - sales practices and introduce additional and/or new taxes and purchase - sales transactions may not be performed in a timely manner.

Liquidity Risk

It should be noted that in leveraged trading transactions, the orders that are placed on Electronic Transaction Platform may not be executed at demanded prices due to the severe price movements in the market; and the transaction prices may change due to volatility that may occur especially when liquidity is in low levels in the market, at opening and closing hours of the markets, in the days and hours when local / international markets are closed, moments when important news and information are delivered in the market or when an unexpected incident happens; and such price changes may be against your interest as well as in your interest.

D) MARKET MAKING MECHANISM

In the markets where leveraged trading transactions are not organized, large banks become market makers and provide liquidity for the prices so that the purchase and sales transactions are conducted. Additionally, investment institutions owning type A License may directly accept and/or execute the orders by customers, within the scope of market making practises.

E) RISK MONITORING IN LEVERAGED TRADING TRANSACTIONS

The collateral for the leveraged trading transactions shall be in US Dollar. It should be noted that Turkish Lira may depreciate in this collateral due to exchange rate fluctuations.

Calculation of Amount of Collateral: For the pairs of products (Parity price x (lot*quantity of contract)) / Leverage Rate, There are two types of collaterals.

Initial Margin: Means obligatory amount specified for each product subject to leveraged trading transaction and required to be submitted by the customer in the beginning in order to take position over the leveraged trading transactions. Customer should submit the minimum initial margin to investment institution's account in the Settlement and Custody Bank prior to opening of position.

Maintenance Margin: Minimum level of the collateral to be maintained upon the updates according to daily price movements in the market. Maintenance margin rate is defined as 75 percent in the beginning. Customer is obliged to increase the collateral to the level of "maintenance margin" which is 100% of the initial margin by half an hour before the weekly closing time at the latest. In case the amount of collateral is lower than the level of 100 percent rate, the investment institution may execute by itself the required procedures that increase the collateral rate without any further notification. DenizYatırım may change collateral levels of current and new positions, ask for additional collaterals on condition that it informs investors beforehand or it may carry out proceedings without notice to sustain these levels.

Stop out level: Means the level at which the system close customer position automatically, where the margin for customer position decreases to a certain level (25%) defined by the investment institution.

F) CONDUCTING LEVERAGED TRADING TRANSACTIONS

Markets and Platforms where the transactions are conducted;

Leveraged trading transactions are performed in the unorganized markets (i.e. over-the-counter market). Therefore it does not have a particular market. Transactions are carried out on the Meta Trader Platform. Information on balance, assets, and transactions etc. can be seen on the platform.

Safekeeping of Customers' Collaterals;

Capital Market Board has authorized the Settlement and Custody Bank to centrally collect and save information regarding leveraged transactions and to safeguard the customer collaterals of competent investment institutions, based on its "data storing" task. In this context, investment institutions send the collaterals submitted for leveraged trading transactions to Settlement and Custody Bank.

Information about the counter party in case the transaction is conducted in over-the-counter markets;

As DenizYatırım provides services pursuant to the Communiques by Capital Market Board, it may take a position as a counter party by providing customer positions from its own portfolio during the purchase and sales practises within the scope of "accepting and/or executing directly the orders placed by customers".

While conducting leveraged trading transactions, in case that DenizYatırım takes a position as a counter party and the customer incurs losses due to the nature of the service or product, the investment institution gains profit. Likewise, when the customer makes profit and in case DenizYatırım is the counter party of such transaction, DenizYatırım may incur losses. It may lead to conflict of interests with the customer. In a potential conflict of interests, DenizYatırım always puts the customer interests first.

Investor Compensation System;

The mission of the Investor Compensation Fund is to execute the compensation decision taken by Capital Market Board in accordance with the provisions of Capital Market Law in case that the investment institutions fail to fulfil their obligations, on cash payment or returning capital market instruments, resulting from investment services and activities. It is obligatory for investment institutions to participate in the Investor Compensation Fund pursuant to the 2nd paragraph of Article 83 of the Capital Market Law no 6362.

Uses of Leveraged Transactions

Leverage is a system which allows investors to enter into high valued positions with small amount of investments.

Example 1:

An investor who estimates that the US Dollar will gain value against Turkish Lira and owns 2.250 TL that he/she wants to use in this transaction:

(1 USD = 2.25 TL)

Without leverage: 2,250 TL / 2.25 = 1,000 USD can be purchased.

In case the estimation comes true and 1 USD = 2.30 TL

Investor now owns 1,000*2.30 = 2,300 TL

2,300 – 2,250 = 50 TL is the amount of profit.

With leverage: with 22,500 TL using 10 leverage ratio it is possible to open a position of 225,000 TL (100,000 USD).

In case the estimation comes true and 1 USD = 2.30 TL

100,000 $ * 2.30 = 230,000 – 225,000 = 5,000 TL

So the investor gains a profit of 5,000 TL with 22,500 TL

	Without Leverage	**With Leverage**
Collateral Balance	2,250 TL	22,500 TL
Leverage	1	10
USDTRY Transaction Opening Price	2.2500	2.2500
Amount of Position	1,000 $	100,000 $
USDTRY Transaction Closing Price	2.3000	2.3000
Profit / Loss	50 TL	5,000 TL
Margin after Transaction	2,300 TL	27,500 TL

Why We Recommend Low Leverages?

In case of using lower levels of leverages, the system does not allow to open a much bigger position comparing to your assets. It is explained in the example below:

Example 2:

Investor A buys EURUSD parity 12,000 $ with 10 leverage rate.

Investor B buys EURUSD parity 12,000 $ with 5 leverage rate.

Both the investors open positions as allowed by the system comparing to their collaterals.

	Investor A	**Investor B**
Collateral Balance	12,000	12,000
Leverage	10	5
USDTRY Transaction Opening Price	1.2000	1.2000
Amount of Position	100,000 EUR	50,000 EUR
USDTRY Transaction Closing Price	1.1900	1.1900
Profit / Loss	(-) 1000 $	(-) 500 $
Margin after Transaction	11,000 $	11,500 $

As shown in the example Investor B chooses lower leverage rates; with the market working against its estimation, Investor B incurs less loss because of opening less positions.

What makes the Forex transactions appealing is the hope of gaining high amount of profits with a small amount of collateral. However, you should note that while making investments using leverages you may incur high amounts of losses as well as you gain high amounts of profits.

What is SWAP?

It is referred to as carry cost that is paid or collected every night. It may influence your account in positive (+) or negative (-) depending on the interest difference between two products subject to the transaction. It is shown as income or expense in your accounts. It is defined by the difference between the interest amounts of the products. A different interest rate is applied to each product.

It is important to note that for some pairs of products, swaps are applied for 3 days from Wednesday to Thursday, and for some pairs of products, from Thursday to Friday. Reason is that liquidity providers and markets are closed for weekends and open positions in parities are of 2 days or 1 day value. Because the positions of USD/TRY and USD/CAD are of 1 day value, when it is from Thursday to Friday, a carry cost for 3 days is applied. For other currency pairs, from Wednesday to Thursday a carry cost of 3 days is applied.

Example 3:

Swap calculation: Lot amount * Swap rate * number of days * price increment tick

For the EURUSD parity, if long position swap rate is -1, 1 lot for the night from Monday to Tuesday, (1 lot = 100,000 units) ; 100,000 * 1$ * 1 day * 0.00001 = 1 $ is included in the swap cost account.

Calculation Profit / Loss in Leveraged Transactions

(Closing Price – Opening Price) * Number of Lots * Amount of Position

Example 4:

	Investor A	**Investor B**
Collateral Balance	12,400 $	12,400 $
Leverage	10	10
EURUSD Transaction Opening Price	1.24	1.24
Amount of Position	100,000 EUR	100,000 EUR
EURUSD Transaction Closing Price	1.245	1.238
Profit / Loss Calculation	(1.2450-1.2400)*1*100,000	(1.2380-1.2400)*1*100,000
Profit / Loss Status	500 $	(-) 200 $
Margin after Transaction	12,900 $	12,200 $

In the example above, profit/loss is calculated assuming that investors purchase EUR / USD.

G) SPECIAL CONDITIONS FOR CFD TRANSACTIONS

In CFD transactions, transaction hours are limited with the business hours of the organized market wherein the relevant Foreign Derivative Instrument is subject to the transactions. Customer accepts and declares that he/she is not able to conduct CFD transactions outside the business hours in the relevant organized market. Intermediary Institution informs the Customer about the business hours via e-mail; "Electronic Transaction Platform" or on the website of the Intermediary Institution as follows: www.denizfx.com.

RISK INFORMATION FORM ON REAL ESTATE CERTIFICATES

Real Estate Certificates are securities that are issued to be used in financing of a project that will be or is being built.

The initial public offering of real estate certificates can be done at the Stock Exchange. In such case, the principles on stock exchange public offering in effect shall be applied.

If persons have adequate number of certificates, they may purchase an independent unit of the real estate built on the date indicated on the certificate, may sell their certificates via Borsa Istanbul without having to wait for the completion of the project, or wait for the maturity and receive the payment proportionate to their certificates with secondary execution.

Primary execution: Primary execution refers to establishment of ownership by the issuer on behalf of the real estate owners, within the period of performance and within the framework of the principles stipulated in this prospectus and to the delivery of the respective independent unit.

Secondary execution: Secondary execution refers to sales of the independent units corresponding to real estate certificates that are subject matter of secondary execution by the issuer within the period of performance and distribution of the sales proceeds to real estate certificate owners, proportionate to their certificates.

In the event that an investor requests primary execution, preliminary sales contract shall be signed and appeal of primary execution shall take place.

Investors requesting primary execution shall have the right of withdrawal and rescission of the contract.

Right of Withdrawal: As per the Law on Consumer Protection, right of withdrawal may be exercised within 14 days following the date of contract in the event that preliminary sales contract is signed. After investors exercise their right of withdrawal, blockage on their certificates shall be released and such certificates shall be available for free circulation. It is adequate to send notice on exercising the right of withdrawal to the issuer via notaries within the 14-day period.

Right of Rescission: As per the terms of housing sales with preliminary payment of the Law on Consumer Protection, as amended with the decree-law numbered 684, promulgated in the Official Gazette:

- The consumer shall have the right to rescind a contract up to 24 months following the date of contract, without requiring any justification. It is adequate to send notice on rescission to the issuer via notaries.

- In case of rescinding a contract, contractor on behalf of the issuer may request the payment of the expenses arising from the taxes, duties and similar legal obligations pertaining to the sales of the house or the preliminary sales contract and of indemnification amounting to up to 2% of the contract price for a the first three months, up to 4% for a period of three to six months, up to 6% for a period of six to twelve months and up to 8% for a period of twelve to twenty-four months.

- After investors exercise their right of rescission, blockage on their certificates shall be released and such certificates shall be available for free circulation.

A) FUNCTIONING:

Real estate certificates, endorsed to be traded at the stock exchange, shall be traded at the Collective and Structured Products Market under Equity Market with continuous trading method (included at opening, midday and closing of the session).

Trading unit for real estate certificate is lot. Number and / or amount of certificate corresponding to 1 lot shall be determined and announced by the Equity Market Department, by considering the information in the prospectus.

The public offering price of certificates shall be considered as base price in the first day of trading at the stock exchange. Then the base price shall be determined by exercising the method effective in stocks in the days to come. Price margin in certificates shall be applied as 20%.

Price levels applied in stocks and price ticks shall hold true for real estate certificates as well.

Price Ticks Applied in Certificates

Price Range (TL)	Price Tick
0,01 - 19,99	0,01
20,00 - 49,98	0,02
50,00 - 99,95	0,05
100,00 - above	0,10

Trading Code:

A five-character short code shall be given for each issuer, considering the issuer and project information.

Featured Code:

Featured codes determined for real estate certificates are shown in the following table. Featured codes to be used for real estate certificates are indicated below.

FEATURED CODE	EXPLANATION
G	Real Estate Certificate
HG	IPOs via subscription and Buyback call for Real Estate Certificates
BG	Initial public offerings with Continuous Auction
TG	Buying in Real Estate Certificates
MG	Official Auction in Real Estate Certificates

Certificates cannot be subject matter of margin loans and short selling.

Clearance for real estate certificate transactions shall be realised by Takasbank in line with their own regulations on the second business day following the day of transaction (T+2).

Exchange fees applied in stocks shall be collected in transactions carried out in real estate certificates. No order cancellation, price worsening and volume reduction fees shall be charged. If market making operations are carried out during certificate transactions, the stock exchange discount shall be applied as applicable to market maker transactions.

Time of Delisting:

Transactions on certificates shall be ceased 2 days before the end of secondary execution (as long as the duration of clearance). If all issued certificates are subject matter of primary execution or all real estates represented by the certificates are sold during secondary execution period, certificates shall be delisted without awaiting the end date of secondary execution. Such matter shall be reported to the Stock Exchange by the issuer.

The issuer may request the delisting of the certificate to be carried out at another date than the end of secondary execution before issuance. The request in question shall be considered by the Executive Board of the Stock Exchange and a different deadline can be defined for the relevant certificates. The Executive Board of the Stock Exchange may determine the date of delisting based on the features of the issuance, independent of the issuer's request.

B) AMOUNTS OR RATES OF COMMISSION, FEES AND TAXES PERTAINING TO THE TRANSACTION

A commission is charged from the amount of trading transaction carried out as part of the investment service and activities, at a rate stipulated in the framework agreement signed with the customer. Any taxes, fees, commissions and charges that may be put into effect due to legislative amendments after such Framework Agreement is signed shall also be charged from the customer.

BITT at 5% of the commission amount charged as per the Tax Law shall be collected from the customer and paid to the tax office. For example, if your commission rate is 0.2% (two per mille), 20 TL commission and 1 TL BITT shall be charged from the customer following a trading transaction of 10.000 TL, making a total of 21 TL.

Furthermore, fees related to mailing of monthly notifications to your address, expenses incurred on behalf of customers such as mail/express delivery/courier related to documents sent by our company and fees, order cancellation fees, taxes, commissions and charges collected by the Central Clerance Institution, Central Securities Depository and relevant stock exchanges for the accounts in question shall be charged from the customer as they are. The company may apply additional operational transaction fee on top of the fees mentioned.

In the event that banks charge our company with expenses due to any taxes, fees, commissions and charges that they may collect for EFT/Cash transfer transactions you may carry out, such amount shall be charged from the customer.

Below are the basic tax-related matters that are of concern to real estate certificate investors.

Title Deed Fee: Investors who collect real estate certificates and demand primary execution will have to pay title deed fees if they carry out land registry transactions related to the real estate in question. The directives of the Ministry of Finance and relevant institutions shall be essential for the base to consider in calculating title deed fees.

VAT Payment: The directives of the Ministry of Finance and relevant institutions shall be essential for the base to consider in calculating VAT.

With respect to real estate buy-sell proceeds, BITT and all other tax elements apart from the taxes mentioned above, legislative terms stipulated or will be stipulated by relevant authorities shall be applied in calculating tax rates and designating basis.

Whether the Relevant Capital Market Instrument Has a Secondary Market

Real estate certificates, endorsed to be traded at the stock exchange, shall be traded at the Collective and Structured Products Market under Equity Market with continuous trading method (included at opening, midday and closing of the session).

C) RISKS THAT INVESTORS MAY ENCOUNTER

In addition to the elements stipulated in the "Framework Agreement" and "General Risk Notification Form on Investment Services and Activities" which will be signed with the investment institution which you will carry out transactions with, it is significant that you understand the below aspects.

1. The account you will open with the investment institution and all the transactions to be carried out from this account shall be subject to all kinds of legislation and similar regulations issued by the CMB, Borsa Istanbul A.S., settlement and custody centers.

2. Investing in real estate via real estate certificates does not eliminate the risks of price changes in real estates and risks pertaining to the building contractor and the project.

3. There is no revenue guarantee that real estate certificate entails. Revenues depend on the respective real estate project represented by the certificates.

4. While the issuer allocates the independent units to investors demanding primary execution, the date when the investor demanding primary execution notified the brokerage house of such request shall be taken as basis. Therefore, if other investors issued an earlier request for the independent unit preferred by certificate owners who applied or aimed to apply for primary execution appeal or such units were allocated to another investor, the independent unit of choice may not be acquired.

5. Investors, acknowledged to have requested secondary execution, may demand primary execution within the period of performance (change of execution). In such case, investors shall make a preference among independent units that have not been subject matter of appealing or performing of primary execution before and those that have not been sold to third persons, on a time-priority basis and their demands shall be fulfilled on condition that they are welcomed by the issuer. In time-priority, the investor's date of application to brokerage houses shall be considered. In that case, since certificate owners may make a preference among independent units that are subject matter of issuance but not have been subject matter of primary execution before and not sold up until time of application, investors may not be able to acquire the independent unit of their choice.

6. After the appeal period for primary execution, independent units that are subject matter of secondary execution shall be sold to third persons. However, after the project which the certificate represents is completed, part or whole of the independent units that are subject matter of secondary execution may not have any potential buyers or a price lower than expected may be encountered in the sales. Such case may cause a lower level of revenue for investors than the amount they expected. On the other hand, if there is no adequate demand for the independent units in question, the price of the certificates on the stock exchange may be adversely affected as well.

7. During the period of performance of the secondary execution, at least one auction shall be held and independent units, which are subject matter of certificate issuance but not of primary execution, shall be put up for sale upon the prices that are bid at the auctions in question. The proceeds obtained as a result of these sales shall be distributed to investors, proportionate to the certificates they own.

However, there is a risk that prices bid in the auctions may be lower than the investors' expectations. Such an outcome may cause investors to incur loss on their real estate certificate investments. Furthermore, after the project is completed, secondary execution can be performed within two business days following the sales of all independent units before the maturity date. In such a case, there is a risk that the real estate certificate may mature in a shorter period of time than that which is indicated on the prospectus.

8. There is price variation among independent units due to different blocks, façades, floors and materials used. These price variations are generally called goodwill. The goodwill of flats has been included in the number of certificates in order not to request goodwill from investors during primary execution. Therefore, among flats with similar features, more certificates will be collected for flats with high goodwill and less for those with low goodwill. The mentioned goodwill values determined by the issuer prior to public offering may vary depending on supply and demand throughout the project phases to come or after the project is completed and due to reasons unpredictable at issuance stage such as changes in investments in the vicinity and investor preference, etc. Furthermore, goodwill and price per squaremeter may not increase at the same rate throughout the project and thus, investors may incur loss due to variations in goodwill.

9. There is a risk that certain changes may be implemented in the plans of social fittings, shared outdoor areas and independent units in the project through development. Such differences may cause changes in the goodwill of the entire project as well as the independent units that are subject matter of certificate issuance and they may adversely affect the prices of certificates. The mentioned adverse implications may cause the project to depreciate and investors to incur loss.

10. After investors exercise their right of rescission, blockage on their certificates shall be released and such certificates shall be available for free circulation. Therefore, an additional risk of price change may arise due to increase in transaction volume that may take place in the secondary market of the real estate certificates. Furthermore, allocations on independent units that were previously allocated to such investors shall be released and the independent units in question shall be subject matter of secondary exection in case of lack of demand from other investors. Thus, there may be price pressure stemming from the increase in the supply of independent units that are subject matter of secondary execution.

11. Following the sales of independent units that are subject matter of secondary execution to third persons during the performance period of secondary execution, the proceeds obtained from such sales shall be accumulated in the account whereby the issuer's secondary execution revenues are kept and applied interest. The funds obtained from the sales of independent units that are subject matter of secondary execution shall be capitalised on by the issuer by investing in lease certificates issued by the Undersecretariat of Treasury and/or private sector issuers within the scope of the proxy's duty of care and/or investing in investment accounts until all of the independent units in question are sold. There is a risk that the revenues obtained from the capital market instruments that the issuer will invest in may be below the rate of return that investors expect and alternative investment instruments in the market offer.

12. There may be changes in the revenues that the certificate yields if amendments are made in the legislation or a new legislation is enacted. Furthermore, real estate certificate owners demanding primary execution may have to assume different taxes, duties, charges or similar expenses due to amendments that may be imposed in housing legislation.

13. Issues such as the lack of suitable labour force in the project that the certificate represents, problems that may be encountered in supplying raw materials, architectural problems and occupational accidents may adversely affect the completion date of the project and cause the project not to be completed in the process foreseen. A disruption in any of the factors in question may cause a postponement in the end-date of the project and thus performance period of executions.

On the other hand, while amendments to zoning, municipality, housing and environment legislation throughout the project may extend the project term, such legislative amendments may cause the project not to be completed on time and executions not be fulfilled in the process foreseen. The mentioned case may cause investors to incur loss on their real estate certificate investments.

14. In the event that a stay of execution decision for the project is ruled due to reasons beyond the control of the contractor and issuer, the project may be ceased for a definite or indefinite period of time. In such case, there may be delays in the completion of the project and performance period of executions.

15. The issuer's activities pertaining to the construction and immovable assets shall be subject to several environmental law regulations. The issuer is currently a party to certain legal disputes related to working models and there is no guarantee as to the consquences of the disputes in question. One might encounter a variety of lawsuits in the project represented by the certificate, which might lead to delays in fulfilment of the project and the execution itself.

16. The project bears the risk that it might not be completed on the project delivery date indicated in the prospectus, due to reasons stemming from the contractor and/or force majeure. A feasibility report shall be drafted as per Article 6 of the Communiqué on Real Estate Certificates within 15 business days starting from the date that the project is observed to be delayed and an application is made to the Board, requesting extention for the period of time stated in such report as required to complete the project. Such extention that the Board may grant shall not exceed 180 days following the project end date, except for force majeure. Therefore, fulfilment of executions may be delayed if the project cannot be completed in the period of time foreseen for any reason.

Furthermore, projects also bear the risk that they might not be completed at all by the contractor. In such a case, a new tender shall be held (tender for completion) and the issuer shall complete the outstanding works in the project. However, procedures pertaining to drafting of the tender for completion and transferring the job to a new contractor may take time. If so, the project end-date shall be defined again and periods related to performance of primary and secondary executions may be postponed.

17. Unforeseeable delays might occur concerning processes such as passing flat ownership for independent units in the project and receiving occupancy permit at project completion phase. Accordingly, there may be disruptions in the delivery period.

18. After the date issued certificates start to be traded on the stock exchange, a liquid secondary market may not emerge for such certificates; or even if it did, it may not be continuous. Therefore, price fluctuations that may occur in the market where the certificates will be traded may cause certificate owners to not be able to sell their certificates when they wish to and at the price may so request.

19. Issuance price of certificates may not be an indicator of the current market value of the independent units in the project or the future expectations pertaining to the project. Fluctuations in the certificate prices may cause investors to not be able to sell their certificates at or above the issuance price and such a case may result in loss incurred by investors due to their real estate certificate investments.

20. In accordance with the relevant terms of the Equity Market Directive of the Stock Exchange and the Implementation Principles and Procedures on the Functioning of the Equity Market, drafted by taking the mentioned Directive as basis, transactions pertaining to a particular capital market instrument may be temporarily ceased in presence of certain factors or single price method may be implemented instead of multiple price in transactions. Such a case may adversely affect the liquidity of investors' certificates and investors may incur loss arising from price variations.

21. The total value of certificates corresponding to any independent unit, determined by taking as basis the real estate certificate prices occurring in the stock exchange in any period of time, may be higher than the market sales prices of similar independent units that are not subject matter of real estate certificate issuance. In other words, the independent unit price calculated upon the price of real estate certificates occurring in the stock market may be above the market sales prices of independent units that have similar features but not subject matter of the certificates in question and the stock exchange price may not reflect the market price fully and accurately. Such a case may cause investors demanding primary execution (delivery of housing unit) to acquire the relevant independent units at prices above their market price.

22. Real estate certificate trading transactions are subject to risks at variable rates. You might lose the entire amount of money you invested in the investment institution as a consequence of price movements in the market.

23. The value of the real estate certificate may be affected by price movements arising from overall economic and political environment as well as speculative and manipulative transactions.

24. BIST shall be authorised to delist issuer companies that are subject matter of trading, also to permanently or temporarilty delist certificates belonging to companies not fulfilling their obligatons.

25. You must take into consideration that the information and recommendations that the investment institutions may communicate to you with respect to the transactions you will carry out in the markets may be incomplete or require verification.

26. It must also be taken into account that the technical and basic analysis to be made by authorised personnel of investment institutions on trading may vary from person to person and that their estimations based on such analyses are not certain to be realised.

27. Before starting your transactions, please be aware that your trasactions shall be subject to commission fees to be paid to stock exchanges, clearance and custody institutions and investment institutions as well as taxes at rates stipulated in the relevant legislation.

28. Besides exemptions / exceptions applied to construction projects and sales, various exemptions/ exceptions, and tax advantages are applied to certificates as well. Such tax-related exemptions/ exceptions may transform in time or may be abolished, which may adversely affect the revenues that certificate owners may obtain.

29. Risks Pertaining to Primary Execution Requests of Foreigners

As per article 35, amended with the Law numbered 6302, put into effect on 18 May 2012, of the Land Registry Law numbered 2644, the principle of reciprocity applied for the acquisition of real estates in our country by foreigners has been abolished. Therefore, on condition that legal restrictions are followed, real person foreigners are allowed to acquire all kinds of real estates in our country (house, office, land, field). However, this right may be restricted or revoked due to reasons such as the relevant person's nationality, the number of houses and lands they may acquire, the ratio of permit granted for foreigners to acquire real estate in a particular area, whether the location of the real estate is in or close to military forbidden zones and security zones, etc.

The real estate acquisition of foreign legal persons in Turkey has been stipulated in Article 35 of the Land Registry Law numbered 2644. Accordingly, commercial companies having legal personality, established overseas in line with the laws of their own countries may only acquire real estates and limited rights in rem within the framework of terms of private law (Turkish Oil Law numbered 6491, Tourism Encouragement Law Numbered 2634, Law on Industrial Zones numbered 4737). No restrictions shall be applied in terms of establishment of real estate pledge in favour of such commercial companies. Legal persons other than foreign commercial companies (Foundations, Associations, etc.) cannot acquire real estates and limited rights in rem in their favour cannot be established.

Acquisition of real estate by "foreign-capital companies", established in Turkey and having legal personality, of which foreign investors own 50% or more shares jointly or severally or have the authority to nominate or dismiss majority of executives despite not having such ratio of shares, has been stipulated in Article 36 of the Land Registry Law numbered 2644 and the "Regulation on Ownership of Real Estates and Acquisition of Limited Rights in Rem by Companies and Subsidiaries under Article 36 of Land Registry Law numbered 2644", dated 16/08/2012. Transactions related to the matter shall be carried out within the framework of the Circular numbered 2012/13 (1735) of Directorate General of Land Registry and Cadastre, with subject, "Acquisition of real estates and limited rights in rem by foreign-capital companies".

D) MARKET MAKING MECHANISM

Real estate certificates, endorsed to be traded at the stock exchange, shall be traded at the Collective and Structured Products Market under Equity Market with continuous trading method (included at opening, midday and closing of the session). Details on market making can be found through the link below. http://borsaistanbul.com/urunler-ve-piyasalar/piyasalar/pay-piyasasi/piyasa-yapicilik

E) RISK TRACKING

The investment institution intermediating in the trading of real estate certificate shall bear no responsibility with respect to the risks expressed in the section entitled "D-Risks That Investors May Encounter" above.

F) TRANSACTIONS CARRIED OUT IN INTERNATIONAL MARKETS

Real estate certificates may be issued domestically by being or not being offered to public, sold to qualified investors or issued abroad.

This "Risk Information Form on Real Estate Certificates" aims to notify customers on existing risks in general and may not cover all risks arising from trading of real estate certificates and their implementation. Thus, you are kindly recommended to make meticulous research before you direct your savings towards such type of investments.

I hereby accept and state that I have read and understood this Risk Information Form on Real Estate Certificates with my free will on condition that my rights and claims on losses to occur due to negligence or mistake of the investment institution during the exercising of these principles are reserved and I have signed and received a copy of this Form.

ATTENTION: The Customer (Investor) should write the statement "I have read, understood and received a copy" in handwriting in the box below and sign.

Date:

Customer's Name / Surname:

DENİZBANK A.Ş.

Signature

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Trade Registry Office: İstanbul
Registry Number: 368587
http://www.denizbank.com/
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DENİZ INVESTMENT SECURITIES Co.Inc.

Signature

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