

## LEGAL INFORMATION

The information contained herein is disclosed in accordance with the provisions of Article 28 of “the Communiqué number III-39.1 on Principles regarding Establishment and Activity of Investment Institutions” published by Capital Markets Board (CMB). About said disclosures, there may be direct disclosures and information links, but also there are orientations through links to relevant pages on websites on which ÜNLÜ Menkul Değerler A.Ş. renders service.

### I. Activities and Services we are authorized to offer:

| Activities and Services |   |                     |                 |
|-------------------------|---|---------------------|-----------------|
| 1.                      | <b>Brokerage Activity in Execution of Orders</b>          | <b>Domestically</b> | <b>Overseas</b> |
|                         | i. Shares   | X                   | X               |
|                         | ii. Other securities                                      | X                   | X               |
|                         | iii. Trading of Leveraged transactions                    | -                   | -               |
|                         | iv. Share-based derivatives                               | X                   | X               |
|                         | v. Share indices-based derivatives                        | X                   | X               |
|                         | vi. Other derivatives                                     | X                   | X               |
| 2.                      | <b>Brokerage Activity in Proprietary Trading</b>          | <b>Domestically</b> |                 |
|                         | i. Shares   | X                   |                 |
|                         | ii. Other securities                                      | X                   |                 |
|                         | iii. Trading of Leveraged transactions                    | X                   |                 |
|                         | iv. Share-based derivatives                               | X                   |                 |
|                         | v. Share indices-based derivatives                        | X                   |                 |
|                         | vi. Other derivatives                                     | X                   |                 |
| 3.                      | <b>Individual Portfolio Management Activity</b>           | X                   |                 |
| 4.                      | <b>Investment Advisory Activity</b>                       | X                   |                 |
| 5.                      | <b>Intermediation Activity in for Public Offering</b>     |                     |                 |
|                         | i. Underwriting   | X                   |                 |
|                         | ii. Best effort underwriting                              | X                   |                 |
| 6.                      | <b>Limited Custodian Service</b>                          | X                   |                 |
| 7.                      | <b>Ancillary Services</b>                                 |                     |                 |
|                         | i. Offering advisory services relating to capital markets | X                   |                 |
|                         | ii. Granting loan or lending                              | X                   |                 |
|                         | iii. Offering foreign currency services                   | X                   |                 |
|                         | iv. Offering general investment advice                    | X                   |                 |
|                         | v. Offering services relating to carrying on underwriting | X                   |                 |
|                         | vi. Offering intermediation service relating to funding   | X                   |                 |
|                         | vii. Wealth Management and financial planning             | X                   |                 |

## **Brokerage Activities in Executions of Orders and Proprietary Trading**

ÜNLÜ Menkul Değerler A.Ş. (“ÜNLÜ Menkul”) executes the buy or sell orders of clients in relation to leveraged transactions as the counterparty within the scope of the authorization certificates obtained by it from Capital Markets Board.

The buy or sell orders of clients relating to capital market instruments traded in domestic markets are executed by being forwarded by ÜNLÜ Menkul to stock exchanges or other organized marketplaces and the orders of clients for transactions in relation to buying and selling derivatives abroad are executed by being forwarded to an institution resident abroad that has obtained operating license from the competent authority of relevant country on behalf and account of the client or on behalf of ÜNLÜ Menkul and on account of the client.

The brokerage services are offered to clients by experienced investment advisors and/or through electronic transaction platforms as well as mobile applications.

## **Individual Portfolio Management**

Individual portfolio management is management of portfolios consisting of financial assets except for portfolios of collective investment institutions on behalf of client as proxy in order to obtain a direct or indirect benefit.

ÜNLÜ Menkul Değerler A.Ş. creates and manages portfolios appropriate for financial position of clients, their risk-return preferences and duration of investment by means of its professional portfolio managers experienced in capital markets.

Prior to signing a framework agreement with clients intending to get Individual Portfolio Management service, a “Appropriateness [Test](#)” is applied. The Appropriateness Test is assessment by ÜNLÜ Menkul Değerler A.Ş. whether the service to be offered to client within the scope of Individual Portfolio Management is compatible with the investment purposes, financial condition of the client as well as its knowledge and experience. Individual Portfolio Management service is offered in compliance with the result of the Appropriateness Test.

## **Investment Advisory**

Investment advisory is delivering comments and advises of guiding nature to a certain person or a group of persons whose financial conditions, risk and return preferences are similar regarding capital market instruments and the partnerships and institutions issuing the same in line with the investor request or without investor request.

The purpose of Investment Advisory is to prepare the ground for clients to make comparison of various investment alternatives on return and risk basis in line with financial criteria and targets specific to them. The investment proposals prepared in consideration of the strategies formed are notified to client in various periods verbally and/or via telephone, fax and e-mail.

ÜNLÜ Menkul assesses economic, political and social developments on a momentary, daily, weekly, monthly or annual basis and shares with investors the effects of such developments on investment products. In application of these analyses, basic analysis and technical analysis methods and quantitative and qualitative approaches are applied.

These products are shared with clients by means of verbal and visual media, mainly e-mail and webpages. Our expert team will form investment preferences suitable to risk profile and support its clients.

Prior to signing a framework agreement with clients intending to get Investment Advisory service, the Investment Advisory Introductory Information Form is presented and the Appropriateness Test is applied. Investment Advisory service is offered in compliance with the result of the Appropriateness Test.

## **Advisory Services with respect to Intermediation for Public Offering, Capital Markets, Services with respect to Underwriting**

ÜNLÜ Menkul Corporate Finance Advisory Unit renders financial advisory services to its clients in offering of share certificates, company acquisition and merger operations and buy or sell side of privatization projects.

Debt Capital Markets & Advisory Unit renders financial advisory services in bond and debenture issuances. The services of financing of working capital needs of companies and both financing and intermediation and advisory services with reporting and introductory content in long term projects are also comprised by the activity. In addition to these, the advisory services for finding short term bridge finance loan or for restructuring the loans for companies in need of refinancing are also offered.

ÜNLÜ Menkul conducts “[Suitability Test](#)” only to its general clients within the scope of intermediation activities for trading and public offering. The purpose of the Suitability Test is to determine whether the clients have the necessary knowledge and experience to be able to understand the risks borne by the product or service requested by client in order to be able to assess whether such product or service is suitable to client. In case the information requested for Suitability Test is not provided or incomplete or non-current information is provided, one cannot determine which products or services are suitable to client. Therefore, replying to the questions in Suitability Test, giving correct, full and current information are of prime importance for being able to determine the products and services suitable for the client. If it is concluded that any product or service is not suitable to client as a result of the Suitability Test, client shall be given written notice of the same and general investment advice shall not be delivered to client in terms of such product or service.

For more detailed information in relation to Corporate Finance Advisory, Public Offering, Debt Capital Markets & Advisory services, you may have access to the following address:

<https://www.unlumenkul.com/>

### **II. Minimum Elements and Risks of Executed Transactions:**

You may have access to risk notification forms in relation to services and products offered by ÜNLÜ Menkul Değerler A.Ş. by using the following links:

- 1) [Investment and Service Activities General Risk Notification Form](#)
- 2) [Capital Market Instruments Risk Notification Form](#)
- 3) [Risk Notification Form in relation to Trading of Overseas Derivatives and Leveraged Transactions](#)
- 4) [Over-the-Counter Derivatives Risk Notification Form](#)
- 5) [Overseas Transactions Risk Notification Form](#)

### **III. Conditions for Custody and Use of Personal Data Received**

Necessary measures have been taken for protection of the safety of personal data received from our clients in accordance with the legal legislation, our internal control procedures and framework agreements during account opening and continuation of the business relation. Access to personal data of our clients recorded in our database is not allowed for persons other than our authorized personnel. The personal data of our clients is not shared with any third party or institution unless we are under a legal obligation. All data are archived and retained in the form and periods required by the provisions of legal legislation.

ÜNLÜ Menkul employees and those rendering services on an outsourced basis cannot disclose the confidential information they learn about ÜNLÜ Menkul and its clients nor can they use such confidential information for their own benefits or for benefit of third parties within the scope of the investment services and activities because of their duty according to the written confidentiality agreement signed with respective parties and policies and procedures in this regard. In cases where client information is required to be transmitted to service provider institution during period of service procurement by ÜNLÜ Menkul, the issues relating to informing clients have been addressed in the framework agreement.

The announcements and notices made as per the legislation for public disclosure purposes and delivery to authorities of information in relation to situations of any kinds of administrative inspections and investigations and situations constituting a crime are not within the scope of confidential information provided that they are based upon official documents obtained from authorized bodies or person within the scope of the legislation.

#### **IV. Order Transmission, Order Execution, Clearing and Settlement of Transactions**

The information on order transmission and order execution of transactions has been addressed in [Order Execution Policy](#).

#### **V. Instant Buy and Sell Price Quotations for Capital Market Instruments not traded at the Stock Exchange**

The prices at which the transactions for which ÜNLÜ Menkul Değerler A.Ş. is the counterparty of client are to take place, which fall within the scope of Brokerage Activity in Proprietary Trading, are determined objectively in compatible with the general market conditions and their fair values.

ÜNLÜ Menkul Değerler A.Ş. does not buy or sell the assets not traded at stock exchange and which are above their fair values without the written order of client. As the fair value, it executes the transaction at the stock exchange price for assets traded at the stock exchange, at the lowest price in terms of buy and at the highest price in terms of sell for investor on the date of transactions for assets not traded at the stock exchange.

#### **VI. The Principles in relation to Transactions to be executed by Clients on Electronic Environment and the Notifications to be made to Clients on Electronic Environment**

Our clients may carry out transactions with respect to equities, debt instruments, futures and option contracts, investment funds, warrants, buying on credits and short selling, leveraged transactions, overseas derivatives and investment instruments in the overseas regulated markets. The transaction platform which our clients may use in transmission to our institution of orders with respect to leveraged transactions and overseas derivatives is Metatrader4. The transaction platform which our clients may use in transmission to our institution of orders with respect to investment instruments in the overseas regulated markets is Utrade International. In transmission and acceptance of orders, the provisions of relevant legislation are taken into consideration. Order transmissions may be realized over the electronic transaction platform, via telephone, fax, Thomson Reuters and Bloomberg.

Clients may monitor all their leveraged and overseas derivatives buy and sell transactions, margin, debit/credit, short positions and profit/loss situations taking place on their accounts as well as any kinds of commissions, fees and tax sums accrued to their accounts instantly on the electronic transaction platform.

In case the margin amount available on the account of client falls below the margin amount required by the leveraged buy and sell transaction, the client is given notice of completion of the margin over the transaction platform and/or any means of communication. In the event that the client fails to complete its margin to the required level and the margin amount falls to the level of stop-out (automatic position closing) defined in the agreement in the beginning, a part or all of the short positions are closed automatically by the system starting from the most disadvantageous one and the client is notified of the same over the transaction platform.

#### **VII. Capital Market Instruments, Stock Exchange and Market Information**

##### **1) EQUITY TRANSACTIONS AND MARKETS IN RELATION TO EQUITY MARKET**

Equities are the values issued by joint stock companies and stating each unit of the joint stock company capital divided in the number indicated in the Articles of Association.

Holding a share of a joint stock company means being the owner of that company. Safe and accurate information flow is essential in buy and sell of equities.

Reliance, transparency and protection of investor are the fundamental principles of BIST markets. Shareholders may have access to all the information regarding the companies traded at BIST by means of the Companies, Daily Bulletins, Financial Statements, Company News and Data, Webpages and Public Disclosure Platform.

**At BIST Equity Market**, shares of companies from different sectors, right of first refusal coupons, stock exchange investment funds, warrants and certificates are traded.

The transactions in Equity Market take place automatically in methods “Continuous Auction”, “Market Maker Continuous Auction” and “Single Price” by means of electronic buy and sell system based on the rule of priority of time and price. The transactions are carried out in two different trading sessions, one being in the morning and the other in the afternoon. At the beginning of both sessions, “Opening Session” is arranged and, at the end of the second session, “Closing Session” is organized.

ÜNLÜ Menkul Değerler A.Ş., sends the orders it collects from investors electronically to BIST by means of **FIX Protocol** over the remote access network and ExAPI Messaging interface (**ExAPI**). In addition to this, it may enter the orders of investors in the **Electronic Trading System** by means of transaction terminals at BIST and member central office through its own BIST member representative.

The transactions in equity market are carried out in the following sub-markets:

| MARKET  | DEFINITION   | SYMBOL |
|---|--|--------|
| <b>STARS MARKET</b>   | The market on which publicly traded companies with a market value of the free float over TL 100 M or companies within the scope of BIST100 may be traded within Borsa Istanbul.  | Z      |
| <b>MAIN MARKET</b>  | The market on which publicly traded companies with a market value of the free float over TL 25 M and below TL 100 M may be traded within Borsa Istanbul. The criterion of TL 25 M shall apply to companies offered to public for the first time and, among the existing companies, there may be companies traded on the Main Market although the publicly traded company value is below TL 25 M. | N      |
| <b>EMERGING COMPANIES MARKET (GIP)</b>                      | The market on which publicly traded companies with a market value of the free float below TL 25 M, which have development and growth potential may be traded within Borsa Istanbul. Companies traded at GIP for a period of 2 years may file application for transition to Star and Main Market.   | G      |
| <b>WATCHLIST MARKET</b>                                     | In case certain developments occur, this is the market on which the equities of companies removed from StarS Market, Main Market, Emerging Companies Market and Collective Investment Products and Structured Products Market may be traded within Borsa Istanbul  | W      |
| <b>COLLECTIVE INVESTMENT AND STRUCTURED PRODUCTS MARKET</b> | The shares of securities investment trusts, real estate investment trusts, venture investment funds and participation certificates of exchange traded funds, intermediary institution warrants and certificates are traded in Corporate Products Market having the feature of the Listed Stock Market.   | K      |
| <b>EQUITY MARKET FOR QUALIFIED INVESTORS</b>                | The market on which the equities of the companies issuing equities for qualified investor only before being offered to public may be traded among the qualified investors only.  | Q      |
| <b>PRE-MARKET TRADING PLATFORM</b>                          | In terms of the companies the equities of which are not traded at the Stock Exchange, although having the status of publicly traded companies, the equities of those decided to be traded on this platform shall be transacted in pre-market trading platform (formerly Free Trade Platform).  | S      |

### Primary Market Transactions

This is the market which brings directly together the issuers (those who demand funds) and savers (those

who supply funds). By means of the Equity Market System, the primary market transactions of equities to be offered to public at Stock Exchange are carried out between 10:30-12:30.

### Wholesale Transactions

Wholesale transactions ensures that the equity transactions over a certain amount of the predetermined and/or undetermined buyers, are carried out in an organized market at the Stock Exchange in a safe and transparent environment.

### Preemptive Rights Transactions

A new ticker for trading of the preemptive rights attached to an equity of a traded company when it increases capital in cash is opened for trade with an extension of “R” for a specified time period when the rights can be used. The coupons of preemptive rights are traded within the rules applicable in the stock market.

For more detailed information, you may have access to the following link:

<https://www.borsaistanbul.com/en/products-and-markets/markets/equity-market>

## 2) FUTURES AND OPTION TRANSACTIONS AND RELEVANT MARKET THEREOF

- **Futures Contract** is the contract bringing the obligation for the parties thereto to buy or sell a commodity, a value or a financial indicator in the standardized quantity and quality on a determined date at the price agreed upon from today.

The futures contracts have the following minimum elements: **quality, price, quantity and maturity**. These minimum elements have been standardized for futures contracts traded at the exchanges.

The initial margin determined for being able to carry out transaction at exchanges with futures contracts should be deposited to the Central Settlement Institution. In case the margin level falls below the maintenance margin as a result of damages arising or the decrease in values of non-cash collaterals, margin call is made to the relevant investor.

For investors whose margin level falls below the maintenance margin according to the prices and statistical values to come into existence after the trading session, margin call takes place.

In futures and option contracts, the settlement on the maturity date is carried out as physical delivery and cash settlement. In the physical delivery, the underlying asset changes hands. In cash settlement, the amount as much as the difference between the contract price and the current price on the maturity date changes hands between the parties.

- **Option Contract** is the contract made between two parties and granting the buyer the right to buy or sell a commodity, a value or a financial indicator which constitutes a basis for the option until a certain maturity date (or on a certain due date) over a price determined from today (usage price) against a certain amount to be payable by it (option premium) and bringing the obligation for seller to sell or buy a value or a financial indicator which constitutes a basis for the contract in case buyer exercises its right arising from this agreement.

The futures and option contracts trading is carried out on “Futures and Option Market” (“**Vadeli İşlem ve Opsiyon Piyasası**” (“**ViOP**”) within BIST. On ViOP, Equities, Equities Index and Dollar TL Option contracts are traded.

- The orders on ViOP may be entered in three different markets. These are **Main Market, Private Placement Market and Private Placement Announcement Market**.

### Main Board

This is the main market where the orders are matched during the regular trading session and price fixing sessions. These are separate markets which are

- 1) FX Futures Main Board
- 2) FX Options Main Board
- 3) Power Futures Main Board
- 4) Commodity Futures Main Board
- 5) Equity Index Options Main Board
- 6) Equity Index Futures Main Board
- 7) Precious Metals Futures Main Board
- 8) Equity Options Main Board
- 9) Equity Futures Main Board
- 10) Foreign Indices Futures Main Board
- 11) Metal Futures Main Board
- 12) Exchange Traded Funds Futures Main Board
- 13) Overnight Repo Rate Futures Board

#### **Private Placement Market and Private Placement Announcement Market**

These are the markets that are defined separately for contracts and on which orders with big amounts may be traded outside Main Market. In order for private placements with both sides determined to be able to be traded on Private Placement Market, approval of Stock Exchange is required. In case the order entered is matched on "Private Placement Announcement Market", the transaction takes place again on "Private Placement Market" provided that Stock Exchange Approval is obtained.

- **The elements of contracts to be traded on ViOP and their transaction codes are announced by BIST.**

In Futures Contracts, the transaction code has been formed so that it shall contain the information of whether contract type, underlying asset, due date and magnitude of the contract are standard or not.

In Option Contracts, the transaction code has been formed so that it shall contain the information of whether contract type, underlying asset, option type, due date, C/P, usage price and magnitude of the contract are standard or not.

- **Underlying Assets**

| <b>Equities</b>                         | <b>Code</b> |
|---|-------------|
| T.Garanti Bankası A.Ş.                  | GARAN       |
| T.İş Bankası A.Ş.                       | ISCTR       |
| Akbank T.A.Ş.                           | AKBNK       |
| Türkiye Vakıflar Bankası T.A.O.         | VAKBN       |
| Yapı Ve Kredi Bankası A.Ş.              | YKBNK       |
| Türk Hava Yolları A.O.                  | THYAO       |
| Ereğli Demir ve Çelik Fabrikaları A.Ş.  | EREGL       |
| H.Ö.Sabancı Holding A.Ş.                | SAHOL       |
| Turkcell İletişim Hizmetleri A.Ş.       | TCELL       |
| Tüpraş Türkiye Petrol Rafinerileri A.Ş. | TUPRS       |
| <b>Index</b>                            |             |
| BIST 30 Price Index                     |             |
| <b>FX</b>                               |             |
| Turkish Lira / USD Dollar Rate          |             |
| Turkish Lira / Euro Rate                |             |



|  |  |
|--|--|
| Euro / USD Dollar Rate /EUR / USD)<br>Cross Rate |  |
| <b>Commodity</b>                                 |  |
| Aegean Standard 1 basis quality cotton           |  |
| Anatolian red solid basis quality wheat          |  |

|                               |         |
|-------------------------------|---------|
| <b>Precious Metals</b>        |         |
| Pure Gold (TL/gram)           |         |
| Pure Gold (USD/ounce)         |         |
| <b>Foreign Index</b>          |         |
| Sarajevo Exchange Price Index | SASX 10 |
| <b>Electricity</b>            |         |
| Basis Load Electricity        |         |

- **ViOP Transaction Hours** are as follows:

| Contracts                           | Normal Trading Sessions | Lunch Break   |
|-------------------------------------|-------------------------|---------------|
| Equity Futures and Option Contracts | 09:10 - 17:40           | 12:30 – 13:55 |
| Index Futures and Option Contracts  | 09:10 – 17:45           | 12:30 – 13:55 |
| Other Contracts                     | 09:10 – 17:45           | None          |

#### Stock Exchange Equities and Settlement & Custody Charges are as follows:

##### Stock Exchange Charge:

Over the trading transactions carried out on ViOP, over the premium volume for option contracts and over transaction volume for futures contracts, said charge is collected from both parties of the transaction at the rates given herebelow:

| Contract Type  | Stock Exchange Charge               |
|--|-------------------------------------|
| Equities Market Indices-based Option and Futures contracts | %0,004 (four per hundred thousand)  |
| Other contracts  | %0,003 (three per hundred thousand) |

##### Settlement Fees:

| Contract Type                                   | Stock Exchange Share                            |
|---|---|
| Equities Market Indices-based Option contracts  | %0,0020 (two per hundred thousand)              |
| Other option contracts                          | %0,0015'ü (one and a half per hundred thousand) |
| Equities Market Indices-based Futures contracts | %0,0006 (six per million)                       |
| Other Futures contracts                         | %0,001 (one per hundred thousand)               |

- **Margining on ViOP:**

Market risk management is carried out by Takasbank by applying the margining method over the transactions carried out on the market on portfolio basis. Takasbank uses the Standard Portfolio Analysis of Risk (SPAN) algorithm in margining procedures on portfolio basis. The parameters constituting the basis for margin



calculation on portfolio basis are determined and announced by Takasbank.

For more detailed information, you may have access to the following link:

<http://www.borsaistanbul.com/en/products-and-markets/markets/derivatives-market-viop>

### 3) DEBT INSTRUMENTS AND DEBT INSTRUMENTS MARKET

- **Private Sector bonds**

Private Sector Bonds are the debt securities issued by government or joint stock companies with a minimum 1-year maturity or a longer maturity for the purpose of finding loan. The debt securities issued by joint stock companies with a maturity more than 1 year are named “**Private Sector Bond**” (“**PSB**” or “**bond**”).

These instruments may be determined freely on condition that their maturity is minimum 1 year and be issued with fixed or variable interest. They are generally offered for sale through a consortium consisting of one or several intermediary firms. The capital made available by bond holder to a company is foreign capital. The bond holder is the long-term creditor of the firm issuing bonds. The bond holder does not have any other right other than its receivable on the assets of the company and cannot participate in the management of the company. The legal relationship between the bond holder and company ends at the end of the maturity date. The bond holder does not participate in the profit-loss risk of the company issuing bond and obtains its principal and interest in a certain quantity when the due date expires even if the company makes loss.

The most important elements affecting the returns of bonds are the liquidity and the risks they have. As company bonds bear higher risks compared to government bonds in terms of the fact that the company goes bankrupt and goes into default in payment of principal and interest, they generally provide higher interest income than that of government bonds. As debts are paid off first in case of liquidation or bankruptcy of the company, the bond holders receive their receivables before company’s partners (shareholders). Issuance of bonds other than government bonds and bills is subject to the regulations of Capital Markets Board. They may be sold by being offered to public or be sold to qualified investors without being offered to public.

- **Financing Bonds**

Financing bonds are the debt securities issued by issuers as discounted by drawing up the same as the debtor for the purpose of obtaining short term debt within the framework of the regulations of Capital Markets Board. The maturity of financings bonds cannot be longer than 1 year. Financing bonds are discounted with the discount rates suitable for the maturity determined by issuer and sold over the price calculated. The discount rates suitable for the maturity to be applied in sale of financing bonds offered for sale by being offered to public are calculated on an annual basis and announced by the issuer within the sales period at places at which sale is to take place.

- **Bank Bond**

Bank bonds are the securities issued by banks by drawing up the same as the debtor for the purpose of obtaining source within the framework of the regulations of Capital Markets Board. The discount rate of said bonds sold on basis of discount is determined by issuing bank freely.

The maturity of bank bonds to be offered to public cannot be shorter than 60 days and longer than 1 year. The maturity of bank bonds to be sold as allotment sale cannot be shorter than 15 days and longer than 1 year. The discount rates suitable for the maturity to be applied in sale of bank bonds offered for sale by being offered to public are calculated on an annual basis and announced by issuing bank within the sales period at places at which sale is to take place.

- **Government Debt Securities (DİBS - *Devlet İç Borçlanma Senetleri*)**

(DİBS) means the debt securities issued by Undersecretariat of Treasury in domestic market. The government, as the borrower, pays the sum owed to DİBS holders on coupon payment dates and at the end of maturities. DİBS are sold in secondary markets by persons and institutions during their maturities.

DİBS may be classified in different aspects based on their maturities, methods of issuance, the currency in which they are issued, interest payment types, whether they bear coupon on them.

The most used classification is made according to maturity. Accordingly:

- DİBS with maturity of 1 year and longer maturity are named Government Bonds,
- DİBS with maturity shorter than 1 year are named Treasury Bills.

- **Central Bank of the Republic of Turkey (CBRT) Liquidity Bills**

Liquidity bills are the bills having the securities qualification as a monetary policy tool issued for the purpose of CBRT enhancing the efficiency of open market transactions as well as regulating the liquidity in the market. They are issued by CBRT as discounted for its own behalf and account at maturities not exceeding 91 days. The bills are issued as a single collective bill having the negotiable paper qualification and may be traded in secondary markets.

- **Revenue Partnership Certificates**

Revenue Partnership Certificates are the bills ensuring that real and legal persons have partnership rights in revenues of those belonging to state institutions and organizations in terms of bridges, dams, power plants, highways, railways, telecommunication systems and seaports and airports and the like for civil usage sold, the income of which is to be transferred by the Treasury to Public Participation Fund. Revenue Partnership Certificates are related to the revenues of infrastructure facilities belonging to public in transportation, communication and energy segment. The investor holding these certificates does not have any relationship with the ownership and operation of said facilities. Revenue Partnership Certificates have bond qualification with variable interest in spite of the phrase “partnership” in their name as of their legal status.

- **Revenue Indexed Bills**

Revenue Indexed Bills (RIB) were issued by the Treasury on 28 January 2009 for the first time for the purpose of increasing the domestic savings, diversification of Government Debt Securities and expanding the investor base. The returns in RIB issuances have been indexed to revenue shares transferred by Turkish Petroleum Corporation (TPAO), State Supply Office (DMO), State Airports Administration (DHMI) and Directorate General of Coastal Safety (KIYEM) as the State Economic Enterprise to budget. By means of RIBs, an investment instrument is created which is associated with government income in terms of their yield. Thanks to the minimum coupon payment guarantee to be applied to said bills, it is prevented that investor is affected negatively by the change in revenue share.

Within this framework, in calculation of payments in relation to yields of said bills, the total of revenue shares of three months and six months transferred by TPAO, DMO, DHMI, and KIYEM to budget is based upon. In case the actual revenue collection is above the maximum amounts explained in the Budget, payment is made to investors based upon provisions of said maximum amount.

- **Asset and Mortgage-Backed Securities**

Guaranteed Securities (TMK - *Teminatlı Menkul Kıymet*) are the capital market instrument with debt instrument qualification issued by showing asset guarantees as provisions, being the general obligation of issuer.

They may be issued in two different forms as Asset Backed Securities (*Varlık Teminatlı Menkul Kıymet* (VTMK)) and Mortgage-Backed Securities (*İpotek Teminatlı Menkul Kıymet* (İTMK)).

VTMK is the capital market debt instrument issued by banks, mortgage financing institutions, financial leasing companies, finance companies, factoring companies, real estate investment trusts, state institutions and organizations authorized to issue securities as per their respective laws by showing the asset guarantees as provision.

İTMK may be issued only by house financing corporations (*Konut Finansmanı Kuruluşları* (KFK)) and mortgage financing corporations (*İpotek Finansmanı Kuruluşları* (İFK)).

KFK means banks making loan available or making financial leasing to consumer directly within the scope of housing finance and the financial leasing and finance companies approved by BRSA for being engaged in housing finance activities.

İFK is a joint stock company founded for the purpose of taking over, handing over the properties, management of properties and fulfillment of activities accepting the properties as guarantees within the scope of housing and asset finance.

Said securities cannot be disposed of, pledged, provided as collateral for purposes other than their guarantee purpose even the management or control of issuer is handed over to public institutions, nor can an attachment be levied thereon including for the purpose of recovery public receivables nor can they be made subject of bankrupt's asset nor can a preliminary injunction decision be made about them.

TMKs may be sold by being offered to public or be issued by being sold to qualified investors or as allocated. The assets to be able to be shown as provisions in TMK issuance have been listed in the relevant communiqué.

- **Asset and Mortgage Based Securities**

Asset-based Securities (*Varlığa dayalı menkul kıymet* (VDMK)) are the securities issued by showing the assets to be taken over by Asset Finance Fund (*Varlık Finansman Fonu* (VFF)) or Mortgage Finance Corporations (*İpotek Finansmanı Kuruluşları* (İFK)) as provisions.

VFF means the estate founded with the fund bylaw on account of VDMK holders, having no legal personality, with monies collected against asset backed securities.

İFK is a joint stock company founded for the purpose of taking over, handing over the properties, management of properties and fulfillment of activities accepting the properties as guarantees within the scope of housing and asset finance.

Mortgage Based Securities (İDMK) are the securities issued by showing the assets to be taken over by Housing Finance Fund (*Konut Finansman Fonu* (KFF)) or Mortgage Finance Corporations (*İpotek Finansmanı Kuruluşları* (İFK)) as provisions.

KFF means the estate founded with the fund bylaw on account of İDMK holders, having no legal personality, with monies collected against İDMK.

VDMKs and İDMKs may be issued by showing the assets to be taken over by the fund or İFK as provisions. Fund may be founded with or without duration. VDMKs and İDMKs cannot be founded and used for purposes other than the intended purpose.

These securities may be sold by being offered to public or be issued by being sold to qualified investors or as allocated. The assets to be able to be included in the fund portfolio have been listed in the relevant communiqué.

- **Debt Instruments Market**

Debt instruments market consists of the Outright Purchase-Sale, Repo-Reverse Repo, Repo Market for Specified Securities and Interbank Repo-Reverse Repo Markets in which the issuance operations (first hand) of capital market instruments to be able to be purchased by "Qualified Investors" as defined by Capital Markets Legislation are carried out, the transactions of the Offering Market for Qualified Investor and second hand fixed yield securities are carried out and Equity Repo Market in which shares approved by Stock Exchange Chairmanship are made subject of transactions in terms of shares traded in Stock Market and included in BIST 30 Index as well as the International Bonds Market in which foreign debt instruments issued by the Treasury of the Republic of Turkey and included in the Stock Exchange List are traded. In Debt Instruments Market, debt instruments issued in Turkish Lira and on currency payment, securitized assets and income based debt instruments, lease certificates, liquidity bills issued by CBRT and other capital market instruments decided by the Board of Management of Stock Exchange to be traded may be traded.

Besides, repo and reverse repo transactions and repo for specified securities are carried out. The trading transactions in Debt Instruments Market are carried out electronically based on multiple price-continuous auction system.

Settlement and Custody operations are carried out by İstanbul Takas ve Saklama Bankası A.Ş. (Takasbank A.Ş.) founded with participation of Borsa İstanbul and Members, and being an individual and independent institution. In settlement operations, the principle of delivery vs. payment is applied to remove the principal

The transactions in relation to debt instruments are carried out based on verbal or written instruction of client.

- The transactions in Debt Instruments Market are carried out in the following markets:

#### **Outright Purchase-Sales Market**

Outright Purchase-Sales Market ensures that second hand fixed yield security transactions are traded in an organized and transparent market and increases their liquidity.

#### **Repo - Reverse Repo Market**

Being one of the known and organized repo markets in the world, Repo - Reverse Repo Market ensures that the sale of fixed yield securities with the promise to repurchase and the purchase thereof with the promise to resell are realized in a reliable manner under the well-organized market conditions.

#### **Interbank Repo – Reverse Repo Market**

This market has been formed for the purpose of ensuring that banks may realize the transactions of the sale with the promise to repurchase and the purchase with the promise to resell without having to reserve an obligatory provision under the organized market conditions.

#### **Repo Market for Specified Securities**

This market allows for carrying out repo over specified securities and then delivery of said securities to buyer in an organized market. Allowing for securities to change hands for a certain period, this market serves for formation of effective interest by ensuring the mobility of securities between forward and spot market.

#### **Equity Repo Market**

Equity Repo Market has provided intermediary firms and investors with the opportunities of lending their equities in their portfolio via repo and obtaining funds and obtaining equities via reverse repo.

#### **Issuance Market for Qualified Investors**

This market is the market where the issuance transactions of capital market instruments which may be issued by issuers as defined in the relevant communiqué of the Capital Markets Board within the principles referred to in the same communiqué and which may be purchased by only the “Qualified Investors” as defined in the capital markets legislation are carried out. The debt instruments whose the issuances are completed in the market may start to be traded in Outright Purchase-Sales Market.

#### **International Bonds Market**

In International Bonds Market, the foreign debt instruments issued by the Treasury of the Republic of Turkey and included in the Stock Exchange List (“Eurobond”) are traded.

- **Trading Session Hours:**

|  | With Same Value<br>Date | Lunch Break          | With Forward<br>Value Date |
|--|-------------------------|----------------------|----------------------------|
| <b>Outright Purchase-Sales Market</b>          | <b>09:15 – 14:00</b>    | <b>12:00 – 13:00</b> | <b>09:15 – 17:00</b>       |
| <b>Repo - Reverse Repo Market</b>              |                         |                      |                            |
| <b>Repo Market for Specified Securities</b>    |                         |                      |                            |
| <b>Interbank Repo – Reverse Repo Market</b>    |                         |                      |                            |
| <b>Issuance Market for Qualified Investors</b> |                         |                      | <b>09:15 – 14:00</b>       |
| <b>Equity Repo Market</b>                      | <b>09:35 – 12:00</b>    | <b>12:00 – 14:15</b> | <b>09:35 – 17:00</b>       |
| <b>International Bonds Market</b>              | -                       | <b>12:00 – 13:00</b> | <b>09:15 – 17:00</b>       |

|  |                      |                      |                      |
|--|----------------------|----------------------|----------------------|
| <b>Eurobond-Negotiated Transactions Platform</b> | -                    | <b>12:00 – 13:00</b> | <b>09:15 – 17:00</b> |
| <b>Securities Notification against Repo</b>      | <b>09:15 – 15:00</b> | -                    | -                    |

- Half day Trading Sessions**

|  |                      |
|--|----------------------|
| <b>Outright Purchase-Sales Market</b>            | <b>09.15 – 11.30</b> |
| <b>Repo - Reverse Repo Market</b>                |                      |
| <b>Repo Market for Specified Securities</b>      |                      |
| <b>Interbank Repo – Reverse Repo Market</b>      |                      |
| <b>Issuance Market for Qualified Investors</b>   |                      |
| <b>International Bonds Market</b>                |                      |
| <b>Eurobond-Negotiated Transactions Platform</b> |                      |
| <b>Equity Repo Market</b>                        | <b>09.35 – 11.30</b> |
| <b>Securities Notification against Repo</b>      | <b>09:15 – 11:50</b> |

- Yield in Debt Instruments Market Products:**

In case they are kept until maturity date, the periodical yield to be earned by investor may be calculated once again depending on the purchase price and maturity. In case they are sold prior to the maturity date, there may be profit/loss in parallel with the market conditions on the day on which they are sold. Their differences compared to the alternative products are the fact that they are more flexible compared to deposits and repo being fixed yield products. It is possible to dispose of and convert the same into cash on demand. In case the interest rates to come into existence within the period decrease, yield higher than expected may be obtained. When they are intended to be sold prior to their maturity date, partial sale is possible. Compared to investment fund, their advantage is that their yield is definite from the start.

#### **4) TEFAS Fund Transactions:**

Turkey Electronic Fund Distribution Platform ((TEFAS) *Türkiye Elektronik Fon Dağıtım Platformu*) is an electronic platform founded with the approval of Capital Markets Board, except for investment funds subject to special conditions with a single investment account and allowing for access to all active investment funds in our capital markets.

With TEFAS, it is now possible for our clients to carry out sale and purchase transactions of other funds.

The demands of fund transactions as determined by Takasbank are being carried out within the general working hours of the platform within the following hours within which the systems of Takasbank and Merkezi Kayıt Kuruluşu A.Ş. are open:

In working days for fund transactions with the same value date : 08:45-13:30

In half day working days : 08:45-11:30

In working days for fund transactions with forward value date : 08:45-17:30

In half day working day : 08:45-12:30

Value date bypass hour for fund transactions with forward value date has been determined as 13:30 in working days and as 11:30 in half day working days.

You may have access to all bylaws and prospectuses of all investment funds being member to TEFAS at the address <https://www.kap.org.tr/en/>

Fund Information Platform where fund performances may be analyzed has been opened in order to ensure that investment decisions are taken. You may have access to Fund Information Platform opened concurrently with the TEFAS Platform from the following address: <http://www.fonturkey.com.tr/>.

You may have access to investment funds traded on TEFAS from the following address:

<https://www.takasbank.com.tr/tr/Sayfalar/TEFAS-Yatirim-Fonlari.aspx>

## 5) LEVERAGED TRANSACTIONS and OVERSEAS DERIVATIVES TRANSACTIONS

The leveraged transactions are the trading transactions of any kinds of currencies, commodities, precious metals and such other assets permitted by the Board as leveraged on electronic environment against a margin deposited. The leveraged transactions are carried out by ÜNLÜ Menkul as the counterparty within the scope of the authorization of portfolio brokerage.

The CFD transactions (Contract for Differences) within the scope of overseas derivatives transactions are the financial contracts whereby the difference between the opening and closing price made between client and the provider of Contract for Differences is reflected on the account according to the direction of the current position, which ensures the trading transactions of economic and financial indicators, capital market instruments, commodities, precious metals and currencies in an over-the-counter market over a certain leverage ratio depending on the prices occurring in the market in which they are traded. The CFD transactions are carried out by ÜNLÜ Menkul within the scope of the transaction brokerage authorization by being forwarded to FXCM, the price provider.

The electronic transaction platform used by clients within the scope of CFD transactions and leveraged transactions is Meta Trader 4 (MT4). We are cooperating with Forex Capital Markets Limited (FXCM) based in the UK as liquidity/price provider. There is not any shareholding relationship between ÜNLÜ Menkul and FXCM either directly or indirectly.

Through ÜNLÜ Menkul, clients may carry out the transactions in the following products:

### Overseas Derivatives

| METALS  |                  |
|---------|------------------|
| Symbol  | Underlying Asset |
| XAU/USD | Gold             |
| XAG/USD | Silver           |

| POWER PRODUCTS |                  |
|----------------|------------------|
| Symbol         | Underlying Asset |
| USOIL          | WTI Petroleum    |
| UKOIL          | Brent Petroleum  |

| INDICES |                       |
|---------|-----------------------|
| Symbol  | Underlying Asset      |
| US30    | Dow Jones Index (USA) |
| UK100   | FTSE100 Index (UK)    |
| GER30   | DAX Index (Germany)   |
| NAS100  | Nasdaq Index (USA)    |
| SPX500  | S&P500 Index (USA)    |

#### Leveraged Transactions:

| Symbol  | Name of the Instrument                 |
|---------|--|
| AUD/CAD | Australian Dollar - Canadian Dollar    |
| AUD/CHF | Australian Dollar - Swiss Frank        |
| AUD/JPY | Australian Dollar - Japanese Yen       |
| AUD/NZD | Australian Dollar - New Zealand Dollar |
| AUD/USD | Australian Dollar - American Dollar    |
| EUR/AUD | Euro - Australian Dollar               |
| EUR/CAD | Euro - Canadian Dollar                 |
| EUR/CHF | Euro - Swiss Frank                     |
| EUR/GBP | Euro - British Pound                   |
| EUR/JPY | Euro - Japanese Yen                    |
| EUR/TRY | Euro - Turkish Lira                    |
| EUR/USD | Euro - American Dollar                 |
| GBP/AUD | British Pound - Australian Dollar      |
| GBP/CAD | British Pound - Canada Dollar          |
| GBP/CHF | British Pound - Swiss Frank            |
| GBP/JPY | British Pound - Japanese Yen           |
| GBP/USD | British Pound - American Dollar        |
| NZD/JPY | New Zealand Dollar - Japanese Yen      |
| NZD/USD | New Zealand Dollar - American Dollar   |
| USD/CAD | American Dollar - Canadian Dollar      |
| USD/CHF | American Dollar - Swiss Frank          |
| USD/JPY | American Dollar - Japanese Yen         |
| USD/TRY | American Dollar - Turkish Lira         |
| USD/ZAR | American Dollar - South African Rand   |

## 6) CAPITAL MARKET TRANSACTIONS IN THE OVERSEAS REGULATED MARKETS

Buying and selling transactions in the overseas regulated markets covers transactions such as equities, futures, options, bonds in the developed country markets and the related country's rules and regulations are valid. If the country or the market has the investor protection fund, it is limited with its regulations.

Our customers who want to make transactions in the international markets, can make their buy and sell orders of equities, Eurobond, futures and options contracts in the world's leading stock exchanges through Utrade International platform from their computers, tablets or smartphones instantly and online. Thanks to Utrade International, our customers can reach to the detailed data belonging to all the stock exchanges in which they can make transactions and can follow the improvements live in the global markets.

The transactions in the international regulated markets are carried out by ÜNLÜ Menkul within the scope of the transaction brokerage authorization.

## VIII. Provisions of Legislation from which Professional Clients cannot benefit

For more detailed information, you may have access to the following link:

<http://www.unlumenkul.com/assets/pdf/yasal-duyurular/Musteri-Siniflandirma-Formu.pdf>



## IX. Contingency Plan

For more detailed information, you may have access to the following link:

<http://www.unlumenkul.com/assets/pdf/yasal-duyurular/Acil-ve-Beklenmedik-Durum-Plani.pdf>

## X. Warning Text

The information contained on official webpages on which ÜNLÜ Menkul Değerler A.Ş. renders service are of general character and there may not be sufficient information, which may support the trading decisions of our clients, on said pages.

## XI. Potential Risks and Safety of the Computer Network and the Encryption System used

The Information Technologies Network Structure of ÜNLÜ Menkul Değerler A.Ş. is protected by Firewall, Switches and configurations made on Routers correctly against unauthorized accesses. The access to all devices on the network is realized with ID verification method. On the subject of the control, supervision and update of the Network Structure, service is procured from third parties and access of users to network is provided securely. Our online transaction center that may be used by our clients is at design phase.

## XII. Features, Risks and Security Measures of the Transaction Platform and Computer Network used and Alternative Communication Methods that may be used against Risks to be able to arise on the Platform

The transaction platforms used are as follows:

- Equity Transactions: On the subject of transmission of orders to Borsa İstanbul A.Ş. (“BİST”), GTP, member representative screens are being used and acceptance of orders is being realized via telephone, fax, Thomson Reuters and Bloomberg.
- Other Transactions:
  - On the subject of transmission of orders to BİST with respect to VIOP, Warrant transactions, GTP screens are being used and, in terms of debt instruments, Stock Exchange terminal and representative screens are being used.
- Accepting-giving orders for over-the-counter transactions (except for leveraged transactions): Telephone, fax, written instruction and Bloomberg screens are being used.
- The electronic transaction platform used by clients within the scope of the leveraged transactions and overseas derivatives transactions is Meta Trader 4 (MT4). The minimum requirements in terms of software, hardware and internet connection speeds for Meta4 application are given on our website: <http://www.utradefx.com.tr/islem-platformu.html>. Over the relevant functions of MetaTrader4 Transaction Platform, taking into consideration the ad-hoc price changes, it is ensured that the risks coming into existence are controlled on basis of clients, the necessary margins are calculated and clients are advised of the risks arising. In case of interruption of transmission of orders over the transaction platform, clients may transmit their orders through customer representatives. The measures for uninterrupted operation of the transaction platform and alternative transaction methods are given in “Contingency Plan”.

## XIII. In case Extraordinary Market Conditions come into existence, the Explanations in relation to thereto

For more detailed information, you may have access to the following link:

<http://www.utradefx.com.tr/zarar-olasiliginiz.html>

## XIV. Rate of Rejected Orders to Overall Orders

For more detailed information, you may have access to the following link:

<http://www.utradefx.com.tr/zarar-olasiliginiz.html>

**XV. Deviations determined in price and different series formed for every asset**

For more detailed information, you may have access to the following link:

<http://www.utradefx.com.tr/zarar-olasiliginiz.html>

**XVI. Number of client complaints and the rate of said complaints to number of clients**

For more detailed information, you may have access to the following link:

<http://www.utradefx.com.tr/zarar-olasiliginiz.html>

**XVII. Information on client profit and loss situation with respect to leveraged transactions**

For more detailed information, you may have access to the following link:

<http://www.utradefx.com.tr/zarar-olasiliginiz.html>

**XVIII. Information on price providers**

For more detailed information, you may have access to the following link:

<http://www.utradefx.com.tr/zarar-olasiliginiz.html>