

## OVER-THE COUNTER DERIVATIVES RISK NOTIFICATION FORM

In over-the-counter markets, as a result of the trading in derivatives, you may obtain profit and also you have the risk of making loss. Therefore, before deciding to carry out over-the-counter derivatives transaction, client should understand the risks he/she/it may encounter within the scope of these transactions and decide by taking into consideration his/her/its financial situation and restrictions.

The investment accounts to be opened by client with ÜNLÜ Menkul and all trading of the over-the-counter derivatives transactions to be executed over such accounts are subject to the provisions of all the relevant legislations issued by Capital Markets Board and all similar administrative regulations.

Over-the-counter derivatives transactions are executed in line with the needs of the client. Therefore, before carrying out the transaction, it is required to assess the capacity as to whether ÜNLÜ Menkul will fulfill its obligation resulting from the transaction.

Agreements may be made in relation to the netting and settlement of the transactions within the scope of over-the-counter market. However, the existence of these kinds of agreements does not provide the client with any guarantee or hedging at the stage of finalization of the transactions.

In over-the-counter derivatives transactions, financial institutions may, acting like a market maker, gather the parties and intermediate the transactions by finding the counterparty satisfying the need of any client or close the transaction executed by clients to their own portfolio reciprocally by taking reverse position to their own portfolio again with a different counterparty or the clients. In this way, one should consider that the transactions made with financial institutions that may be qualified as market maker as if they were made with third parties. In transactions carried out within this scope, especially taking into consideration their technical knowledge and experience in relation to market or individual transaction, one should not consider market maker financial institutions as the party rendering advisory service or custodian in the transactions. For determining the legal relationships of the parties fully and explicitly, any kinds of details and explanations relating to transactions have been included in “the Option Transactions Framework Agreement” between them. Before carrying out these kinds of transactions, getting legal consultancy service would be appropriate on legal issues.

As they have been structured to meet different and certain needs between parties and the parties to the transactions have different characteristics (area of activity, financial structure, etc.), over-the-counter derivatives transactions may hold certain specific risk elements that cannot be determined at the initial stage. Within this scope, it is recommended that the client receive professional assistance on subjects of the suitability of over-the-counter derivatives agreements by which he/she/it is to carry out transactions with his/her/its specific needs, the elements of risks they hold, the enforceability of the legal sanctions, etc.

The yield to be obtained as a result of over-the-counter derivatives transactions may be high, but the potential loss that may be encountered may also be in high amount. In addition to this, client may incur losses in amounts not quantifiable numerically at the start of the transaction.

For instance, in an over-the-counter derivatives transaction structured as principal being hedged, one should take into consideration many different elements of risks like non-repayment of the principal as a result of cancellation by the persons authorized to carry out the transaction in accordance with the legislation to which the parties are subject.

Due to the fact that over-the-counter derivatives transactions have been structured according to personal needs and the agreements contain restrictions in relation to finalization of the transactions or assignment thereof to another party, it may not be possible to liquidate any over-the-counter derivative transaction even if it contains an order with stop loss at the initial price of the transaction or over any price.

Making an assessment in relation to market risk is totally under the responsibility of those being exposed to this risk. Within the framework of the contractual provisions, there is no obligation for any of the parties (including the institution acting as intermediary) to provide information to the counterparty or parties of the transaction within the maturity of over-the-counter derivatives transactions regarding the market and price movements.

Within the scope of the over-the-counter derivatives transactions, there are not compulsory insurance contracts giving indemnity guarantee so that they shall comprise the erroneous transactions of the employees of the intermediary firm. It is possible to carry out over-the-counter derivatives transactions with low equity; however, when taking into consideration the leverage rates over-the-counter derivatives have, also the guarantees received under certain conditions (negative market developments, the risk of failure by counterparty to pay, etc.) may not be at the level to cover partially the monetary amount necessary for the finalization of the transaction.

Within the scope of the over-the-counter derivatives transactions to be carried out on electronic transaction platforms, it is possible to be exposed to various risks resulting from negativities likely to be encountered in the information technology infrastructure.

**Warning:**

Before commencing the transactions, please control whether the institution with which you consider to work has “the Authorization for Intermediation of Trading of Over-the-Counter Derivatives Transactions”.

You may learn about the banks and capital market intermediary firms that have obtained authorization regarding capital market transactions visiting the website [www.spk.gov.tr](http://www.spk.gov.tr) or [www.tspb.org.tr](http://www.tspb.org.tr).

This Over-the-Counter Derivatives Risk Notification Form intends to inform the investors of the existing risks generally and may not comprise all the risks that may arise from trading of these kinds of derivatives agreements that may be structured in different ways according to different needs and the practice. Therefore, before making these kinds of investments, you should make a thorough and careful search about them and get professional assistance.

**I have read, understood the Over-the-Counter Derivatives Risk Notification Form and received one copy hereof by hand.**

**Name and family name:**

**Signature:**

**Date:**