

Authorized Investment Services and Activities:

Click for the PASHA Yatırım Bankası A.Ş. Authorization Certificate no. BNK-019 (81) dated 30.12.2015.

Minimum Elements and Risks of the Transactions Done:

Investment Services and Activities General Risk Notification Form is given below.

Important Disclosure

While you may be able to make profits a result of the transactions you will conduct in the capital markets, there is also a risk of loss for you. For this reason, you need to understand, before deciding to trade, the risks you may face in the market and make a decision by considering your financial situation and constraints.

For this purpose, you need to understand the following points contained in the "Investment Services and Activities General Risk Notification Form" as stipulated in article 25 of the "Communiqué no. III-39.1 on the Establishment and Operating Principles of Investment Organizations.

Warning

Before you start trading, check whether the organization you intend to work with has a "Certificate of Authorization" for the capital market transactions that you would like to do. You can learn about the banks and capital market intermediary institutions that are authorized for capital market transactions through the websites of www.spk.gov.tr or www.tspakb.org.tr.

Risk Notification

In addition to the matters specified in the "Framework Agreement" to be signed with the investment organization through which you are going to transact, it is very important that you understand the following points.

1. The provisions of all relevant legislation and similar administrative regulations issued by the Capital Markets Board, stock exchanges and clearing centers shall apply to the account to be opened by you at the investment institution and all transactions to be performed through this account.
2. Capital market transactions are subject to risks of varying degrees. As a result of the price movements that would occur in the market, you may lose all the money you have invested in the investment organization and your losses may even exceed the amount of money you have invested depending on the type of transaction you will do.
3. It is important to consider the possibility that trading with low equity may work for or against you on the market due to the leverage effect in transactions such as credit or short sales, and that the leverage effect may, in this sense, provide you with high gains or lead to losses for you.
4. It must be considered by you that the information to be conveyed and the recommendations to be made to you by the investment firm regarding the transactions you will perform on the markets might be incomplete and need to be verified.
5. It should be taken into consideration that the technical and fundamental analysis to be made by authorized personnel of the investment firm regarding the purchase and sale of capital market instruments may differ from person to person and that the predictions made in these analyzes may not be realized precisely.

6. It should be known that there is exchange rate risk in transactions conducted in foreign currency, in addition to the risks mentioned above, that depreciation may occur on the Turkish Lira basis due to foreign exchange fluctuations, that the countries may restrict foreign capital and foreign currency transactions, introduce additional and/or new taxes, and that the purchase and sales transactions may not be realized on time.

7. Before commencing your transactions, you should receive from your investment firm confirmation of all commissions and other transaction fees that you will be liable to. If the fees have not been expressed in monetary terms, you must ask for a written explanation with clear examples of how the fees will be charged to you in monetary terms.

This capital market transactions risk notification form aims at informing the investor about the current risks in general and may not cover all the risks that may arise from the purchase and sale of capital market instruments and the practice. Therefore, you should conduct a careful research before directing your savings to these types of investments.

Minimum elements and risks of the Over-The-Counter Derivative Instruments are given below:

In over-the-counter markets, you may make a profit as a result of Futures and Options Transactions ("derivative instruments trading") and also run the risk of loss. For this reason, before you decide to conduct an over-the-counter derivative transaction, you must understand the risks you may encounter within these transactions and make a decision by considering your finances and constraints.

The account you will have opened at our bank and all your purchase and sale transactions of over-the-counter derivative instruments to be carried out through this account are subject to the provisions of all relevant regulations issued by the Capital Markets Board and similar administrative regulations.

Over-the-counter derivative transactions are realized in line with your needs as the Customer. For this reason, it is necessary, before the transaction is carried out, to evaluate the capacity of our Bank to fulfill its obligation arising from the transaction. Agreements can be made within the scope of over-the-counter market for netting and swapping of the transactions. However, we would like to state that such agreements will not provide you with any guarantee or protection in the course of finalizing the transactions.

As over-the-counter derivative transactions are structured to respond to different and specific needs between the parties and the transaction parties have different characteristics (activity, financial structure, etc.), it is possible that they have some specific risk elements that cannot be detected at the beginning. In this context, we recommend that you get professional help on such issues as suitability to your own specific needs of the contracts you will make for over-the-counter derivative instruments, risk elements they contained, and applicability of legal sanctions, etc..

The amount of possible loss that may be encountered, as well as the return to be obtained as a result of over-the-counter derivative transactions can be very high. In addition, you may also be exposed to losses in amounts that cannot be quantified at the beginning of the transaction. For instance, in an over-the-counter derivative transaction structured with principal protection, many different risk factors must also be taken into account, such as the non-repayment of the principal as a result of cancellation of transaction authorities pursuant to the legislation which the parties are subject to under the transaction.

Because over-the-counter derivative transactions are structured according to personal needs and the restrictions contained in contracts to conclude transactions or transfer them to another party, any over-the-counter derivative transaction may not be possible to be liquidated at the transaction start price or at any price even if it contains stop-loss order.

The assessment of market risk is entirely under the responsibility of the parties that are exposed to this risk. Within the framework of the provisions of the agreement, there is no obligation for any party (including the intermediary institutions) to inform the counterparty or counterparties of the transaction about market and price movements within the term of the over-the-counter derivative transaction.

It should be noted that the general information sharing to be made by the authorized personnel of our Bank on the over-the-counter derivative transactions may differ from person to person and that there is the likelihood that the estimates in the reports published by the various institutions which were shared may not be realized.

It should be noted in foreign exchange denominated securities that they are subject to exchange rate risk in addition to the risks listed above, that there could be depreciation on the basis of Turkish Lira due to exchange rate fluctuations, that the states may restrict foreign capital and foreign exchange transactions, may impose additional and/or new taxes, that trade transactions may not take place on time, and that the risk of non-delivery of physical assets may be exposed to in agreements where delivery is stipulated.

Within the scope of over-the-counter market derivatives transactions, there are no compulsory insurance agreements guaranteeing compensation so as to include the erroneous transactions of the employees of the Bank as well. It is possible to perform over-the-counter derivative transactions with a small amount of equity. However, when considering the leverage ratios of over-the-counter derivatives, even the guarantees received may not be at a level that partially compensates the monetary amount required to finalize the transaction under certain conditions (negative market developments, counterparty non-payment risk, etc.).

It is possible, in over-the-counter derivative transactions to be performed on electronic transaction platforms, to be exposed to different risks arising from adverse events that are likely to be experienced in the data-processing infrastructure.

FX Forward Transactions:

Forward contracts are contracts that require the seller to deliver a certain amount of foreign currency to the buyer at an agreed price at a future date. It provides hedging against foreign currency risk one-on-one when it is done for hedging purposes. It is not affected favorably and unfavorably from changes at exchange level. FX Forward transactions made for speculative purposes may result in profit or loss.

FX Swap Transactions:

The swap transaction is a foreign currency transaction in which spot and forward transactions are performed together. Spot is the forward foreign currency transaction made by undertaking to buy back or sell the amount received or sold at a date determined at the transaction date at an exchange rate determined at the transaction date. The greatest risk in swap transactions is the likelihood of suffering a loss as much as the difference between the market price and the forward price in the event that the counterparty fails to fulfill its obligation at the specified time.

Options Transactions:

The seller has the risk of switching to another currency at maturity. For the seller of buy option, there is an obligation to sell the underlying asset on hand at a price lower than the spot price, if the option is used. For the seller of sell option, there is an obligation to buy an underlying asset at a price higher than the spot price, if the option is used. There is a risk to the buyer to suffer losses as much as the premium. When you are asked to fulfill the option, you have no control authority over it, no right to withdraw from it.

The Risk Notification Form for Borrowing Instruments is given below.

Important Disclosure

While you may be able to make profits as a result of debt instruments trading transactions that you will conduct in the capital markets, there is also a risk of loss for you. For this reason, you need to understand, before deciding to trade, the risks you may face in the Debt Instruments Market and make a decision by considering your financial situation and constraints.

For this purpose, you need to understand the following points contained in the "Risk Notification Form for Debt Instruments" as stipulated in article 25 of the "Communiqué no. III-39.1 on the Establishment and Operating Principles of Investment Organizations (Communiqué)."

Definitions:

Stock Exchange: Borsa İstanbul A.Ş.

Debt Instruments Market: The market set up at Borsa İstanbul A.Ş., where debt instruments are traded.

Debt Instruments or Debt Instruments Based on Securitized Assets and Income: Public and private debt securities in the form of securities that are prepared and sold by issuers in the capacity of a debtor after registration with the Board,

Government Debt Securities: Represent debt securities issued by the Undersecretariat of Treasury at home or abroad. Treasury bills, government bonds, CBRT Liquidity Bills, Eurobonds, Revenue-Sharing Certificates and Revenue-Indexed Bonds are qualified as public debt securities.

Private Sector Debt Securities: They refer to debt securities issued by private sector companies. Bank Bonds, private sector bonds, Convertible Bonds, Bonds Convertible to Shares are qualified as private sector debt securities.

Issuer: The Undersecretariat of Treasury or a joint stock company operating in the private sector that issues the debt instruments.

Principles of Operation in Debt Instruments Market

Debt instruments issued in Turkish lira and foreign currency, debt instruments based on securitized assets and revenues, CBRT liquidity notes and other capital market instruments allowed to be traded by the Stock Exchange Board are traded on the Debt Instruments Market. Transactions are done every weekday between 09:15 and 17:00 hours.

On the Debt Instruments Market, the institutions designated as Market Makers by the Undersecretariat of Treasury may enter market maker quotations on the basis of the operating rules of the market for all benchmark issuances determined by the Undersecretariat of Treasury.

Debt instruments are issued by the government and private sector companies and are traded on the secondary market.

It is very important to understand the following points, in addition to the matters specified in the "Framework Agreement for Purchase and Sale Intermediation" to be signed with the investment organization you are going to deal with.

1. The provisions of all relevant legislation and all similar administrative regulations issued by the Capital Markets Board, Stock Exchange and Clearing Center shall be applied for the account to be opened at the investment institution and all transactions to be performed on the Stock Exchange through this account.
2. The transactions that you will perform at the Stock Exchange regarding the purchase and sale of debt instruments are subject to risk. The securities and cash that you have entrusted to the investment institution may suffer losses as a result of the price movement that will occur in the market. If you are performing a credit transaction, you may lose all of the securities and cash you have deposited as a result of price movements and even your losses may exceed the amount deposited by you.
3. Securities traded on the Debt Instruments Market may be affected by price movements stemming from the general economic and political environment and from speculative and manipulative transactions.
4. The financial condition of private sector companies issuing debt instruments may deteriorate, they may go bankrupt, and company assets may be seized by the government.
5. The Stock Exchange is authorized to suspend trading of Issuing Companies whose debt instruments are traded on the debt instruments market within the framework of the Capital Markets Board and Stock Exchange regulations and to remove debt instruments of the Companies that do not fulfill their obligations from the Stock Exchange permanently or temporarily.
6. The clearing of the transactions is carried out on the same day (T + 0) in the transactions realized on the debt instruments market and the clearing of transactions payable in foreign currency is carried out at least 1 business day later (T + 1). If you cannot fulfill your obligation to settle within this period, you are deemed to have defaulted. In case of default, the investment firm may sell the capital market instruments covered by the collateral at a value of not less than the values in the stock exchange or other organized markets, collect its claims from the sales price, or offset their value against your obligations by possessing these instruments without any obligation to fulfill any preconditions, such as serving any notice or warning, granting time off, obtaining permission or approval from judicial or administrative authorities, converting the collateral into cash by auction or other means.
7. When a sale order is issued to perform a transaction on the market for debt instruments, there is a risk that the debt instruments will not be sold when the order is issued, if there is no order corresponding to this order. Likewise, when a buy order is issued, if there is no order fulfilling this order, the purchase order will not be realized at the time the order was issued.

This Risk Notification Form for Debt Instruments aims at informing you about the current risks in general and may not cover all risks that may arise from the purchase and sale of Debt Instruments as well as the practice. Therefore, you should conduct a careful research before directing your savings to these types of investments.

Conditions of Safekeeping and Use of Personal Data Received:

Descriptive Information on the Processing and Transfer of Personal Data is given below.

This descriptive information and consent declaration form has been prepared as required by the Article 10 of the Law No. 6698 on the Protection of Personal Data and it is intended to inform you about the method, purpose, legal reasons with regard to the processing and transfer of your personal data as well as your rights concerning the protection of your personal data.

Your personal data provided by you to our Bank to obtain banking services/products from PASHA Yatırım Bankası A.Ş. or obtained by the Bank through various channels are processed in the capacity of "Data Officer" within the scope of the "Law on the Protection of Personal Data".

Your personal data are processed in connection with the Banking activities for such purposes as provision of our Bank's products and services, establishing communication regarding the products and services you obtained/will obtain in this regard, and, if allowed by you, for use in marketing activities, proposals for products and services, modeling, reporting, scoring, risk monitoring, intelligence, studies for existing and new products by our Bank and its affiliates, and identification of prospective customers, etc. as well.

Your personal data can be transferred due to legal obligations and within legal restrictions to administrative and official bodies, Credit Card Registration Office, Interbank Card Center, Risk Center of Banks Association of Turkey which they should be transferred to as required by law, the Bank's direct and indirect shareholders and domestic and overseas affiliates, firms through which it conducts its activities in the capacity of brokerage/agency, domestic and overseas third parties providing the Bank with support service or services, independent audit companies in cases where permitted by legislation, institutions to which data transfer is allowed pursuant to the Banking Law, and the institutions and organizations such as the Banking Regulation and Supervision Agency, Capital Markets Board, Central Bank of the Republic of Turkey, and the Financial Crimes Investigation Board (MASAK). Your personal data are processed for the purposes stated because of the banking, taxation, social security legislation and other legislation that concerns the Banks.

Your personal data are collected through head office or branches, contracted dealers and companies through which we conduct their activities in the capacity of brokerage/agency, applications made through websites, ATMs, internet branches, call centers, social media, customer talks, screening of judicial records, market intelligence, identity sharing system, address sharing system, SMS channels, written/digital applications made on websites, direct banking, member merchant POS channels, contracted stores, online sales sites, SGK records, and other channels through which the Bank communicates with customers or may communicate in the future via such methods as companies that provide call center services, PTT, Interbank Card Center and so on, and they are retained within the statutory periods as required by the relevant legislation.

Regarding the processing of your personal data by our Bank; you have the right pursuant to the Article 11 of the Law on the Protection of Personal Data to know if your personal data have been processed, to request information about the processing your personal data if they have been processed, to learn the purpose for which your personal data were processed and whether they were used properly, to know the third parties to which personal data are transferred in and out of the country, to request a correction of personal data in case they have been wrongly processed, to request the deletion or destruction of personal data in the event that the reasons necessitating the processing of personal data no longer exist, to request that the correction or deletion operations be

notified to the third parties to which the personal data were transmitted, to file an objection to the emergence of a result against you due to the analysis of the processed data exclusively through automated systems, and to demand that the damage be eliminated in the event that you suffered a loss because of the processing of personal data in violation of the law.

Explanatory Information on Order Execution Policies and How to Perform Order Transmission, Execution of Transactions, Clearing or Liquidation:

[Click here for our Bank's Order Implementation Policy](#) [Principles for Accepting and Executing Customer Orders](#)

All units involved in the receipt and processing of customer orders carry out their activities in this context within the framework of the relevant CMB and Banking legislation and the internal regulations of the Bank issued along with them and the written work flow and control procedures as well as the provisions set out in the framework agreements concluded with the customers. Customer orders are processed fairly and quickly on the basis of time and order priority, depending on the transaction type. Customer orders that are received are stored for the specified period of time in accordance with the relevant legislation relating to the document and record order.

During the performance of trading intermediary services, orders are executed in such a way as to give the best possible result for the customer, taking into consideration the preferences of the customers in terms of price, cost, speed, clearing, storage, counterparty and so on. Customer orders are processed fairly and quickly on the basis of time and order priority, depending on the transaction type. All similar customer instructions are carried out according to the order of instruction, taking into account the current market conditions and the interests of the customers as well. If the customer has an explicit instruction for transmission of the order to a specific establishment or market, the customer order is fulfilled in accordance with the instruction. The customer may give orders during the day in writing with a wet-signed order or by telephone or electronically or by similar means of communication, and verbally. In the event of a breakdown in one of the Bank's facsimile, telephone or electronic communication systems, the customer may transmit his orders and instructions through other alternative systems in operation or in writing.

The customer orders that are received are stored for the specified period of time in accordance with the relevant legislation relating to the document and record order. The customer may forward his orders from the telephone numbers he specified in the framework agreement that was signed, as well as from other numbers and addresses outside these numbers. If an order is sent from a number other than the number specified in the framework agreement, the Bank shall be free to perform the instruction at its own discretion. The Customer is obliged to make all notifications he will serve and all instructions he will give to the Bank in a manner that is clear and unambiguous showing all the qualities of capital market instruments on the basis of the matters specified in the relevant articles of the capital markets legislation and the Regulation on the Principles for Stock Exchange Activities by Borsa İstanbul A.Ş. regarding the manner of delivery, content, and price fixing procedures. The Bank is not obliged to fulfill the orders, instructions and notices of the customer which are not clear or causing hesitation unless the hesitation in question is eliminated. The customer is responsible for following up the results of the trading transactions and the notification that is made to the customer via telephone, fax, internet or electronic media about the fulfillment of the orders will be valid.

The consideration for the capital market instruments for which the customer has issued a purchase order must be present in his account at the latest on the day of purchase before the order is given to the bank and the asset for which the customer has issued a sale order must be available in the

customer account before the order is issued. The Bank may keep the asset for which the customer has issued a purchase order as collateral in accordance with the minimum capital market legislation. For the transactions executed within the framework of the agreement, the value date is determined in accordance with the regulations of the authorized clearing house and the provisions of the relevant legislation.

In case the validity period for the order has not been indicated by the customer, the order is deemed to have been issued, in organized markets, for that session if the order has been given during the session, otherwise, for the first subsequent session. In other markets, if the customer has not issued an order to the Bank to be valid up to a certain date, it is deemed to have been issued to be valid for the whole day, subject to acceptance by the Bank, and canceled at the end of the day. The Bank may not accept orders on the days when the national and/or international markets are closed and may make changes in the order delivery hours due to the practice of daylight saving time and similar changes in order to protect the interests of the customers, provided that they are written in the framework agreements to be concluded with the customers.

☒ Confidentiality of Customer Orders

Bank staff and managerial staff take maximum care of the confidentiality of customer orders that are pending or realized and cannot use such information for personal benefit or misuse it.

The Bank will take all necessary measures to ensure the confidentiality of this information and to prevent its misuse. Communicating with market makers or other institution for order delivery purposes in order to purchase or sell capital market instruments or to execute customer orders or sharing information with authorized institutions if requested does not contravene the confidentiality of customer orders.

Capital Markets Instruments, Stock Exchange and Market Information:

Stock exchanges or other organized markets are the Istanbul Stock Exchange and the other stock exchanges and other organized markets specified in the CMB law and legislation.

The secondary market is divided into two as the stock market and the over-the-counter market. Standard products that are accepted on the stock exchange are traded through investment firms within the framework of certain rules. Borsa İstanbul A.Ş. was established for this purpose. On the over-the-counter market, the products that are traded are not expected to have a certain standard and transactions are made directly between investors and investment firms. Derivative Trading Transactions are designed specifically for customer demand and needs and have no secondary market.

Legislative Provisions That Professional Customers Cannot Benefit From:

This explanatory text has been prepared as required by the provisions of the article 31/2 of the Communiqué no. III-39/1 on the Establishment and Operation Principles of Investment Organizations stating that "The investment institutions must inform their professional customers in writing about the provisions of the legislation they will not be able to benefit from before providing any activity or service" as well as of the article 28/h of the same communiqué.

For customers defined in the "General" category, our organization is obliged to meet the following conditions:

☒ According to the article 68/1 of the Communiqué no. III-37.1 on the Principles Regarding Investment Services and Activities and Ancillary Services, titled "agreement between the customer and the custodian institution," it is compulsory to have a written or electronic reconciliation at least once in each calendar year regarding the capital market instruments and the cash facilities belonging to the customer between the customers which are provided with custody service and the unit or personnel responsible for the internal control at the institution that is authorized for custody service.

☒ According to the article 69/1 of the Communiqué no. III-37.1 on the Principles Regarding Investment Services and Activities and Ancillary Services, titled "notification of customer assets," it is essential that a notification be made to the customers by the investment institution authorized for custody at least once a month, for the capital market instruments and the cash belonging to the customers within the framework of the principles contained in the documents and records regulations of the Board.

☒ According to the article 33/1 of the Communiqué no. III-37.1 on the Principles Regarding Investment Services and Activities and Ancillary Services, titled "conformity test," it is obligatory for investment institutions to conduct a conformity test with the "General" customers within the scope of intermediation activities for trading and public offering.

☒ According to the article 25/2 of the Communiqué no. III-39.1 on the Establishment and Operating Principles of Investment Organizations, titled "obligation to notify the customer of risks," in addition to the general risk notification, the investment institutions are obliged, before providing services to the "General" customers within the scope of the brokerage activity, to disclose to the customer the risks of the capital market instruments covered by the transaction and get a written statement that the disclosures have been read and understood by the customer.

The Communication Information That Customers Can Use in Emergencies and Contingencies in Accordance With the "Contingency Plans" Prepared Against Possible Risks and the Minimum Measures to Mitigate the Risks of the Customers:

Our Bank takes all the necessary precautions by complying with legal regulations and international standards in order to ensure the continuity of its critical activities and the services it provides to its customers and to prevent the victimization of its customers in an extraordinary situation.

- Information and documents that our Bank is obliged to keep are kept in compliance with legal retention times both in physical archives and in electronic archives.
- Our bank's information systems, data and applications are backed up, while main systems and backup systems are in different locations.
- Various plans are prepared and periodically updated and tested in order to manage the extraordinary situations that may affect the physical assets and information systems of our bank and to keep the negative effects that they may create at a minimum level. Emergency plans are reviewed annually and ODM tests are held once a year.
- Our Bank's Emergency and Business Continuity practices are regularly audited by legal authorities and independent auditors.
- In the event of an emergency affecting our Bank's customers, the measures taken during the event and the issues that our customers need to know during the emergency situation will be announced to our customers through official communication resources such as the Bank's website and social media accounts.

Possible Risks And Security of Computer Network And Encryption System Used & The Properties, Possible Risks, And Security Measures of the Processing Platform and Computer Network Used, And Alternative Communication Methods That Can Be Used Against The Risks That May Occur On The Platform:

Our bank's data backups are kept in the ODM center.

Access is restricted through our Security Applications in order to restrict access to the data-processing infrastructure over the local network and to allow access by authorized people only.

Disclosures on the Case of Occurrence of Extraordinary Market Conditions:

It should be noted in foreign exchange denominated securities that they are subject to exchange rate risk in addition to the risks listed above, that there could be depreciation on the basis of Turkish Lira due to exchange rate fluctuations, that the states may restrict foreign capital and foreign exchange transactions, may impose additional and/or new taxes, that trade transactions may not take place on time, and that the risk of non-delivery of physical assets may be exposed to in agreements where delivery is stipulated.

The information given on this page is general in nature and sufficient information may not be available here to support our customers' trading decisions.