

From the Banking Regulation and Supervision Agency:

REGULATION ON THE PROCEDURES AND PRINCIPLES FOR SALES AND PURCHASE OF PRECIOUS METAL BY BANKS

(Published in Official Gazette dated June 22, .2016 Nr. 29750)

Objective and Scope

ARTICLE 1 — (1) The purpose of this Regulation is to set down the principles and procedures governing the sales and purchase of precious metal by banks.

Basis

ARTICLE 2 — (1) This Regulation has been prepared on the basis of Articles 57 and 93 of the Banking Law dated October 19, 2005, Nr. 5411. **Definitions**

ARTICLE 3— (1) The following terms used in this Regulation shall have the meanings expressly designated to them below:

- a) Bank: Bank defined in the Article 3 of the Law,
- b) BİAŞ: Borsa İstanbul Anonim Şirketi.

Precious metals the banks may sell and purchase

ARTICLE 4- (1) Banks may sell and purchase precious metal effecting transactions in Precious Metals Exchange or of which standards and qualities were determined by the Turkish Treasury or BİAŞ or their acceptability by the refinery they have been produced have been affirmed in respect of conformity with BİAŞ and the purchase and sale of Cumhuriyet Gold Coins and Cumhuriyet Gold Jewellery of which standards and qualities were determined by the Grand National Assembly of Turkey Resolution number 1738 dated August 1, 1951 standards and qualities and they may sell and purchase contracts of precious metal effecting transactions in Derivatives Exchange and the standards and qualities of which is determined by competent authorities.

(2) (App: Official Gazette-10/2/2021-31391) Physical gold collected by banks, contracted jewelers and precious metal experts providing precious metal valuation and collection services on behalf of banks to record as a credit to bank customers' gold deposit/special current/participation accounts shall be valued at least according to the gold fineness values given in the table below. A delivery report shall be prepared regarding the valuation process, which shall include, as a minimum, the distinctive/descriptive phrase, weight in grams, karat, fineness value used in conversion and weight in grams after conversion and the total weight in grams of all parts after conversion, and a copy of this report shall be given to the customer.

(Amended Chart: Official Gazette-31/12/2021-31706 Fifth Duplicate)

KARAT	PRODUCT	FINENESS
24 Karat	Mint Products	0,995
24 Karat	Products of Refineries on the BİAŞ List	0,995
24 Karat	Products of Refineries Not on the BİAŞ List	0,992
22 Karat	Mint-Produced Jewelry	0,907
22 Karat	Miscellaneous Scrap Gold	0,905
21 Karat	Miscellaneous Scrap Gold	0,855

<i>18 Karat</i>	<i>Miscellaneous Scrap Gold</i>	<i>0,725</i>
<i>14 Karat</i>	<i>Miscellaneous Scrap Gold</i>	<i>0,555</i>
<i>8 Karat</i>	<i>Miscellaneous Scrap Gold</i>	<i>0,2975</i>

Repealed Regulation

MADDE 5 – (1) Regulation On The Procedures And Principles For Sales And Purchase Of Precious Metal And Disposal Of Commodities That Have Been Acquired Due To Receivables By Banks published in the Official Gazette dated 1/11/2006 and numbered 26333 is hereby repealed

Entry into force

Enforcement

ARTICLE 7- (1) The provisions of this Regulation are enforced by the Chairman of the Banking Regulation and Supervision Agency.