

**From the Banking Regulation and Supervision Agency:**

**REGULATION ON PROCEDURES AND PRINCIPLES REGARDING  
NOTIFICATION, OATH AND DECLARATION OF PROPERTY, OF INDIVIDUALS  
TO BE APPOINTED TO TOP MANAGEMENT OF BANKS, AND KEEPING OF  
DECISION BOOKS BY BANKS**

(Published in Official Gazette dated November 1, 2006 Nr. 26333)

**SECTION ONE  
Objective and Scope, Basis and Definitions**

**Objective and Scope**

**ARTICLE 1 – (1)** The objective of this Regulation is to set down the procedures and principles regarding notification to the Agency of individuals elected to board of directors of banks founded in Turkey and to board of managers or audit committee organized in management centre in Turkey of banks established abroad and operating in Turkey through branch offices, and of individuals to be appointed as general manager or deputy general managers or central branch manager or vice managers, and of individuals who resign from their jobs, and taking an oath by president and members of board of directors and board of managers, and declaration of property by the individuals mentioned above, and regional managers and branch managers, and managers or directors of organization units working as division, department, group or under similar other equivalent names in central organization of head offices, and keeping of decision books of board of directors, board of managers, audit committee and credit committee therein.

**Basis**

**ARTICLE 2 – (1)** This Regulation has been prepared based on the Articles 27, 28 and 93 of the Banking Law no. 5411 dated 19/10/2005.

**Definitions**

**ARTICLE 3 – (1)** Following terms used in this Regulation shall have the meaning expressly designated to them below;

- a) Bank: Bank defined in Article 3 of the Law;
- b) Financial institution: Financial institutions defined in Article 3 of the Law;
- c) Dominant partner: Dominant partner defined in Article 3 of the Law;
- ç) Law: Banking Law no. 5411;

- d) Undertakings subject to consolidation: Subsidiaries and joint ventures established at home or abroad, which are subject to limitations and rates on consolidation basis by being consolidated with bank, within the frame of procedures and principles set down in the Regulation on Procedures and Principles Regarding Accounting Practices and Retention of Documents by Banks;
- e) Control: Control defined in Article 3 of the Law;
- f) Board: Banking Regulation and Supervision Board;
- g) Agency: Banking Regulation and Supervision Agency;
- ğ) Central branch: Central branch in Turkey of banks resident abroad;
- h) Qualified share: Qualified shares as defined in Article 3 of the Law.

## **SECTION TWO**

### **Notifications**

#### **Notifications Relating to Members of Board of Directors and Board of Managers**

**ARTICLE 4 – (1)** Within seven business days after elections made to bank board of directors or in case a vacancy in seats for any reason whatsoever, after appointments made therefor, a cover letter to be issued by the related bank to the name of the Agency will be sent to the Agency, together with a notary-certified copy of the decision of general assembly of shareholders or board of directors or board of managers pertaining to said elections or appointments, accompanied by:

- a) **(Amended OG edition 28089 on 19/10/2011)** notary-certified copies or in case of submission of original copy, Agency-certified copies of detailed curriculum vitae indicating the professional past experiences and education of the related individual, to be issued in accordance with the sample format given in Exhibit-1 attached hereto, and undergraduate or if needed, post-graduate diplomas, as well as notary-certified copies of identity document or passport for foreign individuals, except for those whose identity and address data or information can be reached in electronic media through systems built under the Civil Registry Services Law no. 5490 dated 25/4/2006; and
- b) **(Amended OG edition 26592 on 24/07/2007)** certificates to be received from the competent Commercial Courts of First Instance having jurisdiction in venue in their places of residence verifying that the subject individuals are not adjudged bankrupt, and certificates to be received from the competent Execution Courts having jurisdiction in venue in their places of residence verifying that aforesaid individuals have not entered into composition with their creditors, as well as their written statements verifying that they are not adjudged bankrupt and have not entered into composition with their creditors, to be issued in accordance with the

sample format given in Exhibit-3 attached hereto, pursuant to the pertinent provisions of the Execution and Bankruptcy Law no. 2004 dated 9/6/1932; and

c) written statements of related individuals certifying that they did not own or hold qualified shares or did not hold controlling shares in banks to which article 71 of the Law is applied, or in banks transferred to the Saving Deposits Insurance Fund before the effective date of the Law, or in bankers put into liquidation, or in financial institutions put into liquidation except for voluntary liquidation, or in development and investment banks the operating license of which is withdrawn, or in credit institutions the management and supervision of which, and the shareholding rights except for dividend rights of partners, of which are transferred to the Saving Deposits Insurance Fund, or the banking operations and deposit and participation fund collection licenses or permits of which are cancelled and withdrawn, before they are transferred to the Saving Deposits Insurance Fund, or before their banking operations and deposit and participation fund collection licenses or permits are cancelled and withdrawn, all issued in the format shown in Exhibit-4 attached hereto, as well as certain documentary proofs to be received from the Saving Deposits Insurance Fund in connection therewith by a petition to be issued in accordance with the sample format given in Exhibit-5 attached hereto; and

ç) criminal conviction certificates received during the last six months, also containing archive records, for the related individuals, as well as an information form stating whether a lawsuit and/or a legal prosecution has been commenced or completed about them in respect of crimes covered by subparagraphs (a) and (d) of first paragraph of the Article 8 of the Law or not, and if any, giving information about them, to be issued in accordance with the sample format given in Exhibit-6 attached hereto.

(2) Within seven business days after elections or appointments made to board of managers created in Turkey of banks resident abroad, operating in Turkey through a branch, a cover letter to be issued and signed by the duly authorized officers of the related bank resident abroad in the name of the branch in Turkey will be sent to the Agency, together with a copy of related decisions pertaining to said elections or appointments, and documents listed in first paragraph hereinabove.

### **Notifications Relating to Members of Audit Committee**

**ARTICLE 5 – (1)** For members elected to audit committee by board of directors of banks, within seven business days after such elections, a cover letter to be issued by the relevant bank to the name of the Agency will be sent to the Agency, accompanied by a notary-certified copy of the decision of board of directors relating to elections thereto, and a statement of each of said members, to be issued in accordance with the sample format given in Exhibit-7 attached hereto, stating and verifying:

a) that for a period also including the last two years before the date of elections, the member and his/her spouse and children:

1) **(Repealed by the Regulation promulgated in the Official Gazette edition 26592 on 24/07/2007)**

2) were not a partner or a personnel of firms engaged in independent audit of or offering rating, valuation or support services to the relevant bank and its undertakings subject to consolidation, or were not involved in the independent audit, rating or valuation of the relevant bank and its undertakings subject to consolidation; and

3) were not a partner or a personnel of firms offering consulting or support services to the relevant bank and its undertakings subject to consolidation, or were not assigned for rendering such services to them; and

4) did not and do not own or hold qualified shares in the relevant bank and its undertakings subject to consolidation; and

b) that they are not a spouse of or a blood relative or relative by marriage up to (including) second degree of dominant partner or bank general manager, and have not taken office in the same bank's audit committee for a period of longer than nine years, intermittently or continuously, and have not ever received or collected any fee or similar other revenues under any name whatsoever from the relevant bank and its undertakings subject to consolidation in reliance upon their profitability, except for payments made to all of the staff members out of profits in reliance upon a clause of articles of association or a decision of general assembly of shareholders; and

c) that his/her spouse and children are not serving as general manager, deputy general manager or in an equivalent job position in the relevant bank and its undertakings subject to consolidation; and

ç) that a business department in charge of executive jobs and duties has not ever reported to them during the last two years; and

d) **(Added by the Regulation promulgated in the Official Gazette edition 26592 on 24/07/2007)** that they are not personnel of the relevant bank and its undertakings subject to consolidation, except for internal audit, internal control, risk management, financial control and accounting units or departments thereof.

(2) Within seven business days after assignment of a member to be assigned out of members of board of managers appointed in management centre in Turkey of banks resident abroad, operating in Turkey by opening a branch, a cover letter to be issued and signed by the central branch manager and vice manager to the name of the Agency will be sent to the Agency, accompanied by a notary-certified copy of the decision of board of managers relating to said assignments, and a statement of each of said members, to be issued in accordance with the sample format given in Exhibit-8 attached hereto, stating and verifying:

a) that for a period also including the last two years before the date of assignment, the member and his/her spouse and children:

1) were not a partner or a personnel of firms engaged in independent audit of or offering rating, valuation or support services to the relevant bank and its undertakings subject to consolidation, or were not involved in the independent audit, rating or valuation of the relevant bank and its undertakings subject to consolidation; and

2) were not a partner or a personnel of firms offering consulting or support services to the relevant bank and its undertakings subject to consolidation, or were not assigned for rendering such services to them; and

3) were not a member of board of managers, central branch manager, central branch vice manager or a manager in an equivalent position to whom an organization unit or department in charge of executive job duties reports; and

b) that they have not taken office in the same bank's audit committee for a period of longer than nine years, intermittently or continuously, and have not ever received or collected any fee or similar other revenues under any name whatsoever from the relevant bank and its undertakings subject to consolidation in reliance upon their profitability, except for payments made to all of the staff members out of profits in reliance upon a clause of articles of association or a decision of general assembly of shareholders.

### **Notifications Relating to General Manager and Deputy General Managers**

**ARTICLE 6** – (1) For those to be appointed as bank general manager or central branch manager or deputy general manager or central branch vice manager, the documents listed in first paragraph of Article 4 are required to be sent together with a cover letter to be issued by the relevant bank to the name of the Agency, before they are appointed.

(2) The related individuals may be appointed only if the Agency does not express a negative opinion within seven business days following receipt of the documents mentioned in first paragraph hereof by the Agency.

(3) Article 7 is applicable for documents to be submitted and delivered by foreign persons pursuant to first paragraph hereof.

(4) If and when bank general manager or central branch manager or deputy general manager or central branch vice manager resigns for any reason whatsoever, their reasons of resignation are required to be notified within seven business days following the date of resignation, by a letter to be issued by the relevant bank and the relevant person to the name of the Agency.

(5) **(Amended by the Regulation promulgated in the Official Gazette edition 27904 on 13/4/2011)** Pursuant to first paragraph of Article 23 of the Law, individuals who will attend the

meetings of board of directors as and in the capacity of deputy general manager in case of absence of general manager therein, providing that they have the same qualifications with general manager, and in which cases they are entitled to attend meetings will be decided and determined by the board of directors.

### **Documents to be Collected from Abroad**

**ARTICLE 7 –** (1) In respect of notifications sought for in this Regulation, foreign individuals are under obligation to receive the documents referred to in subparagraphs (b) and (ç) of first paragraph of Article 4 hereof both from the related authorities in Turkey and from the competent authorities of their own home country. For documents to be collected from abroad in relation therewith, Articles 14 and 15 of the Regulation on Indirect Shareholding and Transactions Subject to Permission of Banks will be applicable.

(2) If the related individual is a citizen of a foreign country where official authorities keeping the records out of which the documents mentioned in first paragraph hereof will be derived are not in place, or said documents cannot be collected within the period of time specified in said paragraph of the same article, then, related presidents and members of board of directors or board of managers are required to submit a written statement to be issued in accordance with the sample format given in Exhibit-9 attached hereto. However, in said cases, within no later than fifteen days following the date of oath to be taken within the frame of procedures and principles set forth in Article 9 hereinbelow, the required documents of proof are needed to be sent and delivered to the Agency within the frame of procedures and principles set forth in Articles 14 and 15 of the Regulation on Indirect Shareholding and Transactions Subject to Permission of Banks.

### **Updating of Information**

**ARTICLE 8 –** (1) In case of a change in statements sent pursuant to Articles 4, 5 and 6, it is under the responsibility of the relevant executive managers giving the statement under said Articles to make sure that the Agency is duly informed within maximum fifteen days following the date of change.

## **SECTION THREE**

### **Oath, Declaration of Property and Decision Book**

#### **Oath**

**ARTICLE 9 –** (1) Presidents and members of board of directors or board of managers of banks are under obligation to take an oath after they are elected or appointed and before they take office. General manager, being a natural member of board of directors, and individuals assigned to deputize general manager are also required to take an oath.

(2) Oath is taken in and before the competent court of commerce in the province where the bank's head offices or the central branch in Turkey of a bank resident abroad are located, with the following words: *"I hereby swear on my honour and on my life that I am going to perform my job duties in ..... Bank in full care and fair and square, and I will in no case act or cause or permit others to act in conflict with the applicable laws and regulations."*

(3) A copy of the certificate of oath to be issued by the court will be sent and delivered by the bank to the Agency within maximum seven business days.

(4) In the event that a person working under oath is re-elected or appointed to another job duty subject to oath in the same bank, he/she does not need to take oath again.

### **Declaration of Property:**

**ARTICLE 10** – (1) President and members of board of directors and board of managers of banks, general manager and deputy general managers, and their regional managers and branch managers, and managers or directors of organization units working as division, department, group or under similar other equivalent names in central organization of head offices, out of their authorized signatories, are under obligation to file a declaration of property as detailed below and in accordance with procedures and principles set down in the Law on Declarations of Property and on Fight Against Bribery and Corruptions, no. 3628, dated 19/4/1990, and other associated laws and regulations.

a) **(Amended by the Regulation promulgated in the Official Gazette edition 26592 on 24/07/2007)** Declarations of property are delivered in one copy and in a closed envelope marked "confidential" to the bank head offices within one month following the date of recruitment or resignation. Additional declarations of property and renewal of declaration of property are subject to the procedures and principles set down in the Law no. 3628 and other associated laws and regulations. These declarations of property related to president and members of board of directors, president and members of board of managers of banks, general manager and deputy general managers, except for the ones sent to the authorities named in the Law on Declarations of Property and on Fight Against Bribery and Corruptions, no. 3628, and in the Regulation on Declarations of Property issued and enacted by a Decree of the Council of Ministers, no. 90/748, dated 10/8/1990, are delivered and sent to the Agency collectively in attachment to a list as of the end of the month following the date they are submitted. **(Sentence added by the Regulation promulgated in the Official Gazette edition 26669 on 10/10/2007)**<sup>1</sup> Declarations of property of other officers are kept in the units of the related bank in charge of personnel affairs, for submission to the Agency upon demand and within the frame of the relevant applicable laws and regulations.

b) If the obligors fail to submit their declarations of property on time, for the purpose of initiation of the required processes, both this failure and the known addresses of the related

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<sup>1</sup> This amendment enters into force as of the date of publishing, with effect from 24/7/2007.

obligors are reported by banks to the Agency within maximum thirty days following the date the declaration of property should originally be submitted.

### **Keeping of Decision Book**

**ARTICLE 11** – (1) Decisions of bank’s board of directors, board of managers, audit committee and credit committee are recorded on daily basis beyond a reasonable doubt in separate books with successive page numbers duly certified in accordance with the clauses pertaining to books of the Turkish Commercial Code no. 6762 dated 29/6/1956 chronologically and with serial numbers without leaving any gap between them and without any projection in line spaces, and each decision is signed by all members within maximum one month following the date of decision. Members sign the decisions dissented by them by stating and adding the reasons of their dissenting vote.

(2) Decision books are essentially required to be kept in Turkish.

(3) Decisions to be issued and signed within the frame of procedures and principles set down in first paragraph may be written on separate notary-certified pages with successive page numbers and may then be kept in a separate special horizontal book. However, the pages of decisions kept as above are essentially required to be bound, together with pages reflecting the decisions taken in the last day of year as well, by the end of January of the next year at the latest.

## **SECTION FOUR Final Provisions**

### **Entry into Force**

**ARTICLE 12** – (1) This Regulation becomes effective as of the date it is published.

### **Enforcement**

**ARTICLE 13** – (1) The provisions of this Regulation will be and enforced by the President of the Banking Regulation and Supervision Agency.

	<b>Official Gazette edition where this Regulation is published</b>	
	<b>Date</b>	<b>Edition</b>
	01/11/2006	26333
	<b>Official Gazette editions where Regulations Amending this Regulation are published</b>	
	<b>Date</b>	<b>Edition</b>
1	24/07/2007	26592
2	10/10/2007	26669
3	14/01/2011	27815
4	13/04/2011	27904
5	19/10/2011	28089

## ANNEX-1

(Amended by the Regulation promulgated in the  
Official Gazette edition 26592 on 24/07/2007)

**CURRICULUM VITAE OF PRESIDENTS AND MEMBERS OF BOARD OF  
DIRECTORS AND BOARD OF MANAGERS / GENERAL MANAGER AND  
CENTRAL BRANCH MANAGER AND THEIR ASSISTANTS**

<b>NAME &amp; SURNAME</b> :				
<b>RESIDENCE ADDRESS</b> :				
<b>EDUCATION STATUS</b> :				
<b>(Detailed)</b>				
<b>NAME AND ADDRESS OF PRESENT EMPLOYER</b> :				
<b>PROFESSION AND JOB POSITION</b> :				
<b>T.R. IDENTITY NUMBER</b> :				
<b>TAX IDENTITY NUMBER<sup>2</sup></b> :				
<b>CAPITAL SHARES IN BANK, IF ANY</b> :				
<b>PREVIOUS EMPLOYERS</b> :				
	<b>COMPANY NAME</b>	<b>RECRUITMENT &amp; RESIGNATION DATES</b>		<b>JOB TITLE</b>
1				
2				
3				
4				
	<b>YEAR</b>	<b>DURATION OF TRAINING</b>	<b>NAME OF TRAINING</b>	<b>CERTIFICATE</b>
<b>COMPANIES OR ORGANIZATIONS WHERE THE SUBJECT IS AN EMPLOYEE, DIRECTOR, PARTNER, AUDITOR OR FOUNDER</b>				
<b>Starting Year/Month</b>	<b>Company Name/Place</b>	<b>Fields of Activity</b>	<b>Type of Position / Relations</b>	<b>Shareholding Percentage (%)</b>

<sup>2</sup> In this box, tax identity number is required to be filled in for foreign natural persons, because T.R. identity number box will be filled in by natural persons who are citizens of the Republic of Turkey.

**ANNEX-2**  
**(Repealed by the Regulation promulgated in the**  
**Official Gazette edition 26592 on 24/07/2007)**

**STATEMENT**

**TO: BANKING REGULATION AND SUPERVISION  
AGENCY**

I, the Undersigned, hereby declare, warrant and acknowledge that I have not ever been adjudged bankrupt or entered into composition with my creditors as detailed in the pertinent provisions of the Execution and Bankruptcy Law no. 2004.

\_\_\_\_/\_\_\_\_/\_\_\_\_

NAME AND SURNAME  
SIGNATURE

**STATEMENT****TO: BANKING REGULATION AND SUPERVISION  
AGENCY**

I, the Undersigned, hereby declare, state and acknowledge that I don't own or hold qualified shares or don't hold controlling shares in banks to which article 71 of the Banking Law no. 5411 is applied, or in banks transferred to the Saving Deposits Insurance Fund before the effective date of the Banking Law no. 5411, or in bankers put into liquidation, or in financial institutions put into liquidation except for voluntary liquidation, or in development and investment banks the operating license of which is withdrawn, or in credit institutions the management and supervision of which, and the shareholding rights except for dividend rights of partners, of which are transferred to the Saving Deposits Insurance Fund, or the banking operations and deposit and participation fund collection licenses or permits of which are cancelled and withdrawn, before they are transferred to the Saving Deposits Insurance Fund, or before their banking operations and deposit and participation fund collection licenses or permits are cancelled and withdrawn.

\_\_\_\_/\_\_\_\_/\_\_\_\_

**NAME AND SURNAME  
SIGNATURE**

.....

**TO: PRESIDENCY OF SAVING DEPOSITS  
INSURANCE FUND BOARD**

.....

You are hereby kindly requested to issue and deliver to me a certificate for submission to the Banking Regulation and Supervision Agency, verifying that I don't own or hold qualified shares or don't hold controlling shares in banks transferred to the Saving Deposits Insurance Fund before the effective date of the Banking Law no. 5411, or in credit institutions the management and supervision of which, and the shareholding rights except for dividend rights of partners, of which are transferred to the Saving Deposits Insurance Fund, or the banking operations and deposit and participation fund collection licenses or permits of which are cancelled and withdrawn, before they are transferred to the Saving Deposits Insurance Fund, or before their banking operations and deposit and participation fund collection licenses or permits are cancelled and withdrawn.

\_\_\_/\_\_\_/\_\_\_

NAME AND SURNAME  
SIGNATURE

**SURNAME** :

**NAME** :

**FATHER'S NAME** :

**MOTHER'S NAME** :

**T.R. IDENTITY NUMBER** :

**BIRTH PLACE AND DATE** :

**REGISTERED IN THE CIVIL REGISTRY OF:**

**PROVINCE** :

**TOWNSHIP** :

**NEIGHBORHOOD/VILLAGE** :

**VOLUME NO.** :

**FAMILY REF. NO.** :

**SERIAL NO.** :

**ADDRESS** :

<b>IS THERE ANY PENDING OR COMPLETED LAWSUIT AND/OR PUBLIC INVESTIGATION OR PROSECUTION AGAINST YOU IN RESPECT OF THE CRIMES COVERED BY SUBPARAGRAPHS (A) AND (D) OF FIRST PARAGRAPH OF ARTICLE 8 OF THE BANKING LAW NO. 5411?</b>			
<b>YES</b>		<b>NO</b>	
<b>IF YES, DETAILED EXPLANATIONS:</b>			
<b>1.</b>			
<b>2.</b>			
<b>3.</b>			

\_\_\_/\_\_\_/\_\_\_

NAME AND SURNAME  
SIGNATURE

(Amended by the Regulation promulgated in the  
Official Gazette edition 26592 on 24/07/2007)

## STATEMENT

### TO: BANKING REGULATION AND SUPERVISION AGENCY

I, the Undersigned, hereby represent and warrant:

- that for a period also including the last two years before the date of my election to the audit committee, I and my spouse and children:

1) Were not a partner or a personnel of firms engaged in independent audit of or offering rating, valuation or support services to ..... Bank and its undertakings subject to consolidation, or were not involved in the independent audit, rating or valuation of that bank and its undertakings subject to consolidation; and

2) Were not a partner or a personnel of firms offering consulting or support services to ..... Bank and its undertakings subject to consolidation, or were not assigned for rendering such services to them; and

3) Did not and do not own or hold qualified shares in ..... Bank and its undertakings subject to consolidation; and

- that I am not a spouse of or a blood relative or relative by marriage up to (including) second degree of dominant partner or general manager of ..... Bank, and have not taken office in that bank's audit committee for a period of longer than nine years, intermittently or continuously, and have not ever received or collected any fee or similar other revenues under any name whatsoever from ..... Bank and its undertakings subject to consolidation in reliance upon their profitability, except for payments made to all of the staff members out of profits in reliance upon a clause of articles of association or a decision of general assembly of shareholders; and

- that my spouse and children are not serving as general manager, deputy general manager or in an equivalent job position in ..... Bank and its undertakings subject to consolidation; and

- that a business department in charge of executive jobs and duties in ..... Bank has not ever reported to me during the last two years; and

- that I am not personnel of ..... Bank and its undertakings subject to consolidation, except for internal audit, internal control, risk management, financial control and accounting units or departments thereof.

\_\_\_\_/\_\_\_\_/\_\_\_\_

NAME AND SURNAME  
SIGNATURE

**STATEMENT****TO: BANKING REGULATION AND SUPERVISION  
AGENCY**

I, the Undersigned, hereby represent and warrant:

- that for a period also including the last two years before the date of assignment, I and my spouse and children:

1) Were not a partner or a personnel of firms engaged in independent audit of or offering rating, valuation or support services to ..... Bank and its undertakings subject to consolidation, or were not involved in the independent audit, rating or valuation of that bank and its undertakings subject to consolidation; and

2) Were not a partner or a personnel of firms offering consulting or support services to ..... Bank and its undertakings subject to consolidation, or were not assigned for rendering such services to them; and

3) Were not a member of board of managers, central branch manager, central branch vice manager or a manager in an equivalent position to whom an organization unit in charge of executive job duties in ..... Bank reports; and

- that I have not taken office in ..... Bank's audit committee for a period of longer than nine years, intermittently or continuously, and have not ever received or collected any fee or similar other revenues under any name whatsoever from ..... Bank and its undertakings subject to consolidation in reliance upon their profitability, except for payments made to all of the staff members out of profits in reliance upon a clause of articles of association or a decision of general assembly of shareholders.

\_\_\_\_/\_\_\_\_/\_\_\_\_

NAME AND SURNAME  
SIGNATURE

**STATEMENT**

**TO: BANKING REGULATION AND SUPERVISION  
AGENCY**

I, the Undersigned, hereby declare, warrant and acknowledge that I have not ever been adjudged bankrupt or entered into composition with my creditors, nor do I have any criminal conviction records.

\_\_\_\_/\_\_\_\_/\_\_\_\_

**NAME AND SURNAME  
SIGNATURE**