

From the Banking Regulation and Supervision Agency:

**REGULATION ON INDIRECT SHAREHOLDING AND TRANSACTIONS SUBJECT
TO PERMISSION OF BANKS**

(Published in the 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 relating to indirect shareholding and transactions subject to permission of banks.

(2) The provisions of this Regulation cover the procedures and principles regarding:

- a) foundation and operating licenses required to be taken for foundation of a bank in Turkey and for opening of first branch in Turkey of banks established abroad; and
- b) opening of branches, formation of partnerships, and participation in existing partnerships by banks at home or abroad, also including off-shore banking areas; and
- c) conditions of opening of a representation office in Turkey by banks headquartered abroad; and
- ç) indirect shareholding; and
- d) share acquisitions and transfers; and
- e) capital increases.

Basis

ARTICLE 2 – (1) This Regulation is prepared based on the Articles 5, 6, 7, 10, 13, 14, 17, 18 and 93 of the Banking Law no. 5411 dated 19/10/2005.

Definitions

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

- a) **Bank:** Banks defined in Article 3 of the Law;

- b) Financial institution: Financial institutions defined in Article 3 of the Law; and
- c) Financial report: Financial report as defined in the Regulation on Procedures and Principles Regarding Accounting Practices and Retention of Documents of Banks;
- ç) Fund: Saving Deposits Insurance Fund;
- d) Law: Banking Law no. 5411;
- e) Participation fund: Participation fund defined in Article 3 of the Law;
- f) Off-shore banking: refers to off-shore banking defined in Article 3 of the Law;
- g) Control: Control as defined in Article 3 of the Law;
- ğ) Credit institutions: Deposit banks and participation banks as defined in Article 3 of the Law;
- h) Board: Banking Regulation and Supervision Board;
- ı) Agency: Banking Regulation and Supervision Agency;
- ı) Deposit: Deposit as defined in Article 3 of the Law;
- j) Qualified share: Qualified share as defined in Article 3 of the Law;
- k) Branch: Branch as defined in Article 3 of the Law;
- l) **(Added by the Regulation promulgated in the Official Gazette edition 26838 on 5/4/2008)** Representation office: Liaison bureau managed and administered by a representative of banks established abroad;
- m) Law no. 3568: Law on Independent Accountants, Independent Accountant and Financial Advisors, and Sworn Financial Advisors no. 3568 dated 1/6/1989⁽¹⁾.

SECTION TWO

Transactions Subject To Permission

Foundation of Banks

ARTICLE 4 – (1) A petition of application to be filed to the Agency for foundation of a bank in Turkey is required to be accompanied by:

- a) business plans analysing the benefit expected from foundation of bank, and describing which operations and activities will be carried out, and how internal audit, internal control and

risk management will be conducted, as well as an activity program indicating the structural organization of bank, and describing the projections regarding financial aspects of foundation in such manner to cover capital adequacy as well; and

b) a statement to be issued and signed by each of founders before a notary public in accordance with formats shown in Annex-1 and Annex-2 attached hereto; and

c) draft articles of association of partnership duly signed by partners; and

ç) certificates to be received from the competent Commercial Courts of First Instance verifying that natural person or legal entity founding partners of bank, and natural person or legal entity partners directly or indirectly holding qualified shares in legal entity founding partners of bank are not adjudged bankrupt, and certificates to be received from the competent Execution Courts verifying that aforesaid partners have not entered into composition with their creditors; and

d) certificates to be received from the competent Commercial Courts of First Instance verifying that an application for restructuring through reconciliation filed by legal entity founding partners of bank, and legal entity partners directly or indirectly holding qualified shares in legal entity founding partners of bank has not been approved, and that a judicial order for postponement of bankruptcy has not been issued and given about them; and

e) criminal conviction certificates received during the last six months, also containing archive records, for natural person founding partners of bank, and natural persons directly or indirectly holding qualified shares in legal entity founding partners of bank; and

f) copies of decisions taken by authorized managerial bodies of legal entity founders of bank certifying their partnership in the bank; and

g) statements of natural person or legal entity founding partners of bank, and natural persons directly or indirectly holding qualified shares in legal entity founding partners of bank certifying that they did not own or hold qualified shares or did not hold controlling shares 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 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 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 Annex-3 attached hereto, as well as certain documentary proofs to be received from the Fund in connection therewith; and

ğ) statements of natural person or legal entity founding partners of bank, and natural persons directly or indirectly holding qualified shares in legal entity founding partners of bank

certifying that they did not own or hold qualified shares or did not hold controlling shares in banks to which provisions of Article 71 of the Law are applied, or in banks which have been transferred to the Fund before effective date of the Law, all issued in the format shown in Annex-3 attached hereto, as well as certain documentary proofs to be received from the Fund in connection therewith; and

h) copies of the Trade Registry Gazette editions demonstrating the foundation of legal entity founding partners of bank, and lists indicating their partners directly or indirectly holding qualified shares therein, and the rates and amounts of their shares, and if any, privileged shares, and detailed descriptions about their fields of activity, investment and operational areas, and their balance sheets and income statements of the last three years approved by sworn financial advisers licensed according to the Law no. 3568, and a report issued by one of the rating companies, if any, for legal entity founding partners classified as bank or financial institution; and

i) consolidated or non-consolidated balance sheets and income statements of the last three years, if any, approved by an independent audit firm, of the group covering legal entity founding partners of bank, and affiliates of that group; and

i) tables indicating the shareholding structure of legal entity founding partners of bank up to their natural person partner or partners, and lists showing their privileged shares, or if they do not have any privileged shares in capital, a statement in relation therewith; and

j) certificates to be received from the relevant tax departments and the Social Security Agency verifying that natural person or legal entity founding partners of bank, and natural persons directly or indirectly holding qualified shares in legal entity founding partners of bank do not have any overdue or outstanding tax or insurance premium debts; and

k) income and/or corporate income tax returns of founding partners issued for the last five years and approved by the relevant tax departments, and their exhibits, and real estate tax returns issued for real properties owned by them and approved by the relevant departments of municipalities, and if deemed necessary by the Agency, a certificate to be received from the relevant land registries, containing land registry records of and annotations and encumbrances on the aforesaid real properties; and

l) certificates to be issued by the relevant banks to the name of the Agency, all of them bearing the same date, for confirmation of information given in founder's statements about deposit and credit accounts of founding partners subscribing for ten percent or more of capital of the bank, in such manner to contain also the opening dates of these accounts; and

m) report to be issued by sworn financial advisors licensed according to the Law no. 3568 about financial situation of founding partners subscribing for ten percent or more of capital of the bank; and

- n) information and documents required to be furnished to the Agency about directors and general manager, if nominated, to be assigned and appointed, pursuant to Articles 4 and 6 of the 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; and
- o) copies of powers of attorney granted to person or persons authorized to represent natural person or legal entity founding partners of bank; and
- ö) a statement to be issued and signed by founding partners subscribing for ten percent or more of capital of the bank, giving information as to how they are going to find the required financial sources, and verifying that they have found these financial sources out of their own commercial, industrial and other legal business activities and free from any kinds of collusion, in accordance with the format given in Annex-4 attached hereto; and
- p) in the case of founding partners being a bank or a financial institution established abroad:
 - 1) their business plans analysing the benefit expected from foundation of bank, and describing which operations and activities will be carried out, and how internal audit, internal control and risk management will be conducted, as well as an activity program indicating the structural organization of bank, and describing the projections regarding financial aspects of foundation in such manner to cover capital adequacy as well; and
 - 2) their articles of association; and
 - 3) copies of decisions taken by authorized managerial bodies of them certifying the foundation of bank in Turkey; and
 - 4) their balance sheets and profit and loss statements and independent audit reports of the last five years, also covering their affiliates; and
 - 5) statement issued by their authorized boards verifying that they are not forbidden to collect and accept deposits or participation funds or to engage in banking activities and operations in the country where they are founded or actively operating, and/or their activities and operations are not restricted or limited therein; and
 - 6) detailed information and documents about their organization chart and structure, and their organization in the country they are founded and outside the country they are founded, and their activities and operations in international financial markets, as well as a report prepared and issued by rating companies about banks or financial institutions, also including the rating given for them; and

7) statement certifying that reports to be issued about annual audits to be conducted by any one of authorized independent audit firms according to the applicable laws and regulations of the country they are headquartered will be submitted to the Agency; and

8) minutes and memoranda of their last general assembly meeting, and a list of their partners holding more than ten percent of their capital, approved by official authorities of the country they are headquartered.

(2) The Agency may at any time request any additional information and documents deemed fit and necessary. The Board is authorized to take actions in reliance upon information and documents having different contents.

Opening of First Branch in Turkey by Banks Headquartered Abroad

ARTICLE 5 – (1) Petitions of application to be submitted to the Agency by banks headquartered abroad in order to open their first branch in Turkey are required to be accompanied by:

a) their articles of association; and

b) copies of decisions taken by authorized managerial bodies of them certifying the opening of branch in Turkey; and

c) their business plans analysing the benefit expected from opening of branch in Turkey, and describing which operations and activities will be carried out, and how internal audit, internal control and risk management will be conducted, as well as an activity program indicating the structural organization of bank, and describing the projections regarding financial aspects of foundation in such manner to cover capital adequacy as well; and

ç) their balance sheets and profit and loss statements and independent audit reports of the last five years; and

d) detailed information and documents about their partners and organization chart and structure, and their organization in the country they are founded and outside the country they are founded, and their activities and operations in international financial markets, as well as a report prepared and issued by rating companies, also including the rating given for them; and

e) statement issued by their authorized boards verifying that they are not forbidden to collect and accept deposits or participation funds or to engage in banking activities and operations in the country where they are founded or actively operating, and/or their activities and operations are not restricted or limited therein; and

f) minutes and memoranda of their last general assembly meeting, and a list of their partners holding more than ten percent of their capital, approved by official authorities of the country they are headquartered.

g) statement certifying that reports to be issued about annual audits to be conducted by any one of authorized independent audit firms according to the applicable laws and regulations of the country they are headquartered will be submitted to the Agency.

(2) The Agency may at any time request any additional information and documents deemed fit and necessary. The Board is authorized to take actions in reliance upon information and documents having different contents.

(3) **(Added by the Regulation promulgated in the Official Gazette edition 26838 on 5/4/2008)** Changes that may occur in shareholding structure of a bank established abroad and operating by opening a branch in Turkey will be duly notified and reported to the Agency for the sake of an assessment under subparagraph (f) of first paragraph of Article 9 of the Law.

Foundation License or License for Opening of Branch in Turkey by Banks Headquartered Abroad

ARTICLE 6 – (1) Foundation license or license for opening of branch in Turkey is given by a decision of the Board taken by affirmative votes of minimum five members of it. Decision on licensing is taken within three months following the date of application or in case of a deficiency in application, following the date of completion of the requested information and documents. If the deficiencies are not completed within six months, the application becomes void and invalid ab initio.

(2) Licenses granted as above are published in the Official Gazette and in the Agency's weekly bulletin. However, in order to start activities, an operating license is required to be received separately following completion of the process of foundation or opening of branch.

Operating License

ARTICLE 7 – (1) After completion of the process of foundation or opening of branch in Turkey in accordance with the applicable laws and regulations, and after completion of the process of registration in and announcement via Trade Registry, an application is required to be filed to the Agency for an operating license with a statement to be issued in accordance with the format shown in Annex-5 attached hereto. Application for an operating license is required to be filed by the end of the ninth month at the latest starting from the date the Board's decision as to grant of operating license is duly published in the Official Gazette.

(2) The Agency checks whether or not share capital of the bank filing an application for operating license is paid in cash and free from any kinds of collusion, and whether or not the bank is capable of performing the activities and operations defined in Article 4 of the Law, and

whether or not the bank has adequate technical equipments and adequate personnel for performance of said activities and operations, and whether or not its managerial personnel satisfy and meet the qualifications and conditions sought for in corporate governance provisions given in third part of the Law, and whether or not all of the actions required for compliance of its banking activities and operations with corporate governance principles have been properly taken. If an applicant is found eligible following said assessment, an operating license is granted and given by the Board within maximum three months following the date of first application for an operating license. Licenses granted as above become effective as of the date they are published in the Official Gazette.

(3) If an operating license granted by the Board is limited by certain fields of business, the reasons of said limitation are also reported in writing to the applicant bank.

(4) Before an operating license is published in the Official Gazette, upon a notification to be sent by the Agency:

a) a document proving that at least one-fourth of system admission fee equal to ten percent of minimum share capital set forth in subparagraph (b) of second paragraph of Article 10 of the Law is deposited by founders to the Fund as system admission fee before start of activities and operations, and a statement verifying that the balance of said fee will be deposited in the Fund's account in three instalments and on quarterly basis; and

b) a document proving that financial operating license certificate fee shown in the tariff no. (8) attached to the Public Fees Law no. 492 dated 2/7/1964 is duly paid

are required to be submitted to the Agency.

(5) Applicants who fail to satisfy and bear the conditions sought for by the Law and this Regulation are to be given an additional time up to six months following the date of notification to be sent by the Agency in relation therewith. If an applicant re-applies during said period of time, and as a result of investigation, is found ineligible, its foundation license is to be cancelled by a decision of the Board taken by affirmative vote of minimum five members of it, and that decision is duly notified, and its foundation license becomes void and invalid as of the date of this notification. Foundation licenses becoming void and invalid as above are also published in the Official Gazette and in the Agency's weekly bulletin.

(6) **(Added by the Regulation promulgated in the Official Gazette edition 26838 on 5/4/2008)** If and when a bank headquartered abroad, holding an operating license or a license for opening of branch in Turkey, is acquired by and transferred to another bank headquartered abroad, not having any such license, together with all of its rights, interests, debts and obligations, then and in this case, the relevant branch may continue its activities only if the surviving bank also receives a license from the Board for opening of a branch in Turkey. To this end, the surviving bank files an application to the Agency for a license for opening of branch in Turkey, together with submittals listed in Article 5 hereinabove, within six months. Licenses previously given to

the acquired bank will remain valid until the required licenses are granted to the surviving bank. However, licenses previously given to the acquired bank become void and invalid if the required application is not filed by the end of said period of time.

Opening of Branch, Formation of Partnerships, or Participation in Existing Partnerships by Banks Actively Operating in Turkey (Heading revised by the Regulation promulgated in the Official Gazette edition 27836 on 4/2/2011)

ARTICLE 8 – (1) Except for units of banks composed of only electronic trading devices, and for tellers, liaison bureaus and exchange bureaus that may be opened in such locations as fair, conference or exhibition grounds or in the premises of an organization as a unit affiliated to one of its branches for a period of time not exceeding sixty business days in a calendar year and solely for collection and payment transactions and services, all types of fixed or portable bureaus of banks engaged in deposit or participation fund collection and acceptance or other banking operations and activities are considered and treated as a branch of bank.

(2) Banks which fail to reach standard ratios put into force pursuant to the protective provisions of the Law or the internal systems of which are, as a result of audits, detected to be inadequate to such extent to prevent opening of new branches, and which fail to present a plan containing actions and measures for remedy and correction of such types of deficiencies may in no case and by no means be permitted to open a new branch.

(3) The Board may, if deemed necessary, seek for additional conditions for opening of branch by banks.

(4) **(Revised and amended by the Regulation promulgated in the Official Gazette edition 30091 on 9/6/2017):** Banks may freely open new branches, providing that they report their to-be-opened branches to the Agency at least thirty business days in advance, and that a negative opinion is not expressed as a result of an assessment made in respect of second paragraph hereinabove. The period of thirty business days is applied by considering the actual date of opening. If a branch reported to be opened, but not actually opened by the end of six months is intended to be opened at any time after completion of said period of time, a new application is required to be filed to the Agency therefor. Addresses of branches opened as above are reported to the Agency within fifteen business days following the date of opening. Such notifications are required to be accompanied by a document proving that financial operating license certificate fee shown is duly paid pursuant to the Public Fees Law no. 492. Banks need to take all of the required security measures in their branches by taking into account such factors as the relevant branch's size, transaction volume and physical conditions and its location or area, and relevant decisions of provincial special security commission. Decisions of banks for such measures are required to be in writing and reasoned.

(5) Movement of a branch of banks in a particular province to another province is subject to the new branch opening principles. A prior application is not needed to be filed for relocation of branches within the borders of the same province, change of name of branches, or

combination or closure of branches. However, such transactions as relocation of branch, change of name, combination or closure of branches are required to be reported to the Agency within fifteen business days following completion of them.

(6) Branches to be opened in free trade zones by banks actively operating in Turkey, and branches to be opened in Turkey by banks headquartered abroad, other than their first branch therein, are subject to the principles of branch opening at home.

(7) **(Added by the Regulation promulgated in the Official Gazette edition 27836 on 4/2/2011)** Formation of partnerships or participation in existing partnerships by banks at home is subject to a prior permission of the Board, providing that the corporate governance principles and protective provisions of the Law are complied with. Applications for license are filed to the Agency, together with a report describing in details the justification of formation of partnership or participation in an existing partnership. **(Sentence revised by the Regulation promulgated in the Official Gazette edition 30509 on 14/8/2018) (Phrases added by the Regulation promulgated in the Official Gazette edition 30685 on 13/2/2019)⁽²⁾** In finances provided as per a financing trust founded within the frame of Article 19 of the Regulation on Crediting Transactions of Banks, promulgated in the Official Gazette edition 26333 on 1/11/2006, and in equity investments for trading purposes, and in share acquisitions for recovery and collection of receivables, and in participation in capital increases of partnerships, and in share acquisitions in partnerships founded by several banks or financial institutions within the frame of risk management practices and in partnerships which are founded by laws or Presidential Decrees and the services of which can be received and used subject to the condition of acquisition of share in capital thereof, providing that such transaction does not lead to control of partnership by the bank alone or jointly, and the bank's total share in capital of partnership does not exceed zero point three percent of its own shareholder's equity, and said transaction is reported to the Agency at least thirty days in advance, together with a report describing in details the fields of activity of the partnership, the provisions of this paragraph are not applicable.

Opening of Branch or Representation Office, Formation of Partnerships, or Participation in Existing Partnerships Abroad by Banks Established in Turkey

ARTICLE 9 – (1) (Added by the Regulation promulgated in the Official Gazette edition 30685 on 13/2/2019) Opening of branches or regardless of limitations cited in the definition given in Article 3 hereinabove, opening of representative offices, or formation of partnerships, or participation in existing partnerships abroad by banks established in Turkey is subject to a prior permission of the Board, providing that the corporate governance principles and protective provisions of the Law are complied with. Applications for license are filed to the Agency, together with a report describing in details the justification of opening of branch or representation office, or formation of partnership, or participation in an existing partnership abroad. However, subject to the condition of compliance with the corporate governance principles and protective provisions of the Law:

a) shares acquired by banks established in Turkey mandatorily pursuant to the applicable laws and regulations of the country where the subject partnership is founded, providing that the bank's total share in capital of partnership does not exceed zero point three percent of its own shareholder's equity, and said transaction is reported to the Agency at least thirty days in advance, together with a report describing in details the fields of activity of the partnership; and

b) additional branches to be opened in the same country by banks established in Turkey, providing that a license has already been received from the Board for opening of a branch in that country, and that the ratio of total branch aggregate in that country to the bank's assets does not exceed ten percent, and that said transaction is reported to the Agency at least 30 days in advance

are not subject to a prior permission of the Board.

(2) Banks may be permitted and licensed to open branches, form new partnerships, or participate in existing partnerships abroad, only if and to the extent the laws, regulations and practices of the country of the relevant branch or partnership do not contain any clauses precluding the Agency from receiving the information and documents that may be needed in the course of its audit and supervision activities or from conducting audits in said branches and partnerships. In applications relating to off-shore banking areas, for the sake of effective and efficient audit and supervision thereon, the Board may request submission of a memorandum of understanding signed pursuant to the Law in order to assure cooperation and exchange of information with the official authorities of the country where the bank will perform its business activities.

(3) **(Amended by the Regulation promulgated in the Official Gazette edition 27119 on 33/1/2009)** Without prejudice to the provisions of first and second paragraphs, for the banks planning to open a branch or to acquire an affiliated or co-controlled partnership or subsidiary in off-shore banking areas, the consolidated and non-consolidated capital adequacy standard ratio to be calculated as specified in the regulations enacted in respect of capital adequacy of banks pursuant to Article 43 of the Law is required not to be less than the ratio to be determined by the Banking Regulation and Supervision Board and to be maintained as such.

(4) A detailed feasibility report, also containing the amount of resources required for opening a branch or acquiring a subsidiary in off-shore banking areas, and balance sheet, cash flow statement and profit & loss statement projections detailing the goals and targets of three years starting from the foundation are essentially required to be submitted to the Agency.

(5) Balance sheet size of a branch opened in off-shore banking area cannot exceed twenty percent of total bank balance sheet. Credit facilities made available to the Treasury or against a Treasury guarantee are not taken into account in calculation of this limit. In calculation of balance sheet size of a branch, transactions executed between that branch and bank head offices are deducted and set off.

(6) Banks are under obligation to submit to the Agency the yearly financial reports of their branches and subsidiaries established in off-shore banking areas. Their financial statements, not audited yet by independent audit firm, and other additional information and explanations that may be requested by the Agency, and other information relating to their activities hereunder are required to be reported to the Agency, in such manner to cover also details of their transactions relating to Turkey, on quarterly basis, in accordance with the sample report format to be determined by the Agency.

(7) In onsite audits to be performed by the Agency, all kinds of data, information and documents will be made ready and available, and data and information regarding creditors and debtors of subsidiaries located in off-shore banking area are also disclosed by the bank whenever demanded.

(8) Banks are required to make public in a clearly visible place at their branch offices and in a legible manner a public disclosure containing information about their branches and subsidiaries in off-shore banking areas and stating that the accounts opened in their foreign branches and subsidiaries, also including off-shore banking areas, are out of the scope of saving deposits insurance cover.

(9) Such acts of banks as issuing and publishing formularies and recruiting personnel solely for the purpose of collecting and accepting deposits or participation funds from persons or entities established at home in the name of their subsidiaries or financial institutions established abroad, also including those located in off-shore banking areas, or directing and guiding their customers to their foreign subsidiaries by paying fees, commissions, premiums or money under any other name whatsoever to their personnel in exchange for deposits or participation funds collected in the name of their foreign subsidiaries or other financial institutions or by promoting, advertising or propagandizing said subsidiaries through their personnel, or collecting and accepting deposits or participation funds in the name of their subsidiaries or other financial institutions established abroad by using such and similar other methods will all be considered and treated as unauthorized activities within the meaning ascribed thereto by Article 150 of the Law.

(10) Banks founded in Turkey are not allowed to engage in the activities mentioned in the preceding paragraph with the intention of directing or guiding deposits or participation funds to their foreign branches, also including their off-shore banking units, nor may the branches of foreign banks operating in Turkey engage in said activities with the intention of directing or guiding deposits or participation funds to branches or other financial institutions of their group.

(11) Foreign branches and subsidiaries of banks, also including their business units in off-shore banking areas, are under obligation to issue bank passbooks and other documents in the country they are operating. Bank passbooks or other documents can by no means or for no reasons be issued or given at home in the name of said foreign branches or financial institutions.

Opening of a Representation Office in Turkey

ARTICLE 10 – (Amended together with its heading by the Regulation promulgated in the Official Gazette edition 26838 on 5/4/2008)

(1) Opening of a representation office in Turkey is subject to a prior permission of the Board. Representation offices are not allowed to accept or collect deposits or participation funds, or make credit facilities available, or engage in other activities mentioned in Article 4 of the Law, or mediate said banking activities. Procedures and principles relating to activities and operations of representation offices are regulated by the Board.

(2) Only one person may be recruited and employed as and in the capacity of representative in a representation office. Banks, filing an application for opening of a representation office, are required to have a robust financial structure, and their shareholders' equity available at their head offices as of the date of application should not be less than the amount of minimum paid-in capital sought for in banks to be founded in Turkey, and their banking activities and operations should not be subject to any restriction, and they should be actively operating since minimum three years. If the bank filing an application for opening of a representation office has been founded through merger of more than one bank, it will be deemed adequate if one of the merging banks is actively operating since minimum three years.

(3) Petitions of application to be submitted to the Agency by banks seated abroad for opening of a representation office in Turkey are required to be accompanied by the following submittals:

a) Financial reports evidencing that the applicant is actively operating since minimum three years, and activity reports audited by independent audit firm; and

b) A certificate received from the relevant official authority verifying that the bank is not forbidden to accept or collect deposits or participation funds, or make credit facilities available, or engage in banking transactions, also including other banking activities mentioned in Article 4 of the Law, in the country it is founded or operating, and that its activities are not subject to any restriction; and

c) Copies of decisions taken by authorized bodies of the applicant for opening of a representation office in Turkey; and

ç) A detailed report showing the reasons of opening of a representation office in Turkey, prepared in such manner to cover also the types and volumes of transactions entered into with banks and other natural persons or legal entities established in Turkey; and

d) A report, if any, prepared and issued by rating companies about the bank; and

e) Information and documents about bank's organization structure and its activities in international financial markets; and

f) Detailed curriculum vitae of the representative, considered to be assigned, also containing information as to whether he has taken office in a financial institution during the recent ten years or not; and

g) A statement to be received from the bank, verifying that all documents requested by the Agency will be furnished, providing that it is permitted by the pertinent applicable laws and regulations of the country where the bank is founded.

(4) The Agency is required to be duly kept informed about a material change in the shareholding structure of a bank established abroad and holding a license to open a representation office in Turkey, or acquisition of another bank by that bank, or change of its name.

(5) If and when a bank established abroad and holding a license to open a representation office in Turkey is acquired by and transferred to another bank, not holding a license to open a representation office in Turkey, together with all of its rights and interests, and all of its obligations, debts and liabilities, then and in this case, the representation office may continue its activities in Turkey only if the surviving bank receives a new license for opening of a representation office in Turkey from the Board. In this case, the surviving bank is under obligation to file an application to the Agency within six months, by submitting all submittals listed in third paragraph hereof, in order to receive a new license for opening of a representation office in Turkey. The previous license granted to the acquired bank will remain valid and in force until the required licenses are given to the surviving bank. However, if the required application is not filed within this period of time, the license granted to the acquired bank for opening of a representation office in Turkey will become invalid.

(6) Address, telephone and fax numbers of the representation office opened in reliance upon a permission received from the Board are reported to the Agency within fifteen business days following the date of opening. This reporting obligation is valid also in case of a change in the subject information.

(7) Closed representation offices are also notified to the Agency. If a bank reporting closure of its representation office subsequently intends to open a new representation office in Turkey, it is under obligation to file a new application to the Agency.

(8) A license to open a representation office may be cancelled by a Board decision if and when the opening of representation office is not reported to the Agency within six months following the grant of license by the Board, or the license has been received in reliance upon untrue statements, or the relevant bank is subject to a decision of limitation or suspension of its banking activities in its home country or its operating license is withdrawn therein for any reason whatsoever, or the relevant bank is adjudged bankrupt or is ordered to be liquidated or

enters into composition with its creditors, or the representation office is detected to have engaged in forbidden activities, or the information and documents requested by the Agency are not delivered and submitted by the representation office or the relevant bank within the period of time granted therefor.

Share Acquisitions and Transfers

ARTICLE 11 – (1) Pursuant to Article 18 of the Law, an application to be filed to the Agency with respect to share acquisitions and transfers is required to be accompanied by the following information and documents:

- a) a statement to be issued and signed by each of transferees of shares in and before a notary public in accordance with the sample formats given in Annex-1 and Annex-2 attached hereto; and
- b) certificates to be received from the competent Commercial Courts of First Instance verifying that natural person or legal entity transferees of shares are not adjudged bankrupt, and certificates to be received from the competent Execution Courts verifying that aforesaid persons or entities have not entered into composition with their creditors; and
- c) certificates to be received from the competent Commercial Courts of First Instance verifying that an application for restructuring through reconciliation filed by legal entity transferees of shares has not been approved, and that a judicial order for postponement of bankruptcy has not been issued and given about them; and
- ç) criminal conviction certificates received during the last six months, also containing archive records, for natural person transferees of shares; and
- d) statements of natural person or legal entity transferees of shares certifying that they did not own or hold qualified shares or did not hold controlling shares 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 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 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 Annex-3 attached hereto, as well as certain documentary proofs to be received from the Fund in connection therewith; and
- e) statements of natural person or legal entity transferees of shares certifying that they did not own or hold qualified shares or did not hold controlling shares in banks to which provisions of Article 71 of the Law are applied, or in banks which have been transferred to the Fund before

effective date of the Law, all issued in the format shown in Annex-3 attached hereto, as well as certain documentary proofs to be received from the Fund in connection therewith; and

f) copies of the Trade Registry Gazette editions demonstrating the foundation of legal entity transferees of shares, and lists indicating their partners, and the rates and amounts of their shares, and if any, privileged shares, and detailed descriptions about their fields of activity, investment and operational areas, and their balance sheets and income statements of the last three years approved by sworn financial advisers licensed according to the Law no. 3568, and a report issued by one of the rating companies, if any, for legal entity transferees of shares classified as bank or financial institution; and

g) consolidated balance sheets and income statements of the last three years, if any, approved by an independent audit firm, of the capital group covering legal entity transferees of shares; and

ğ) a report to be issued by sworn financial advisers licensed according to the Law no. 3568, indicating and detailing the financial situation of natural person or legal entity transferees of shares; and

h) certificates to be received from the relevant tax departments and the Social Security Agency verifying that natural person or legal entity transferees of shares do not have any overdue or outstanding tax or insurance premium debts; and

ı) income and/or corporate income tax returns of natural person or legal entity transferees of shares issued for the last five years and approved by the relevant tax departments, and their exhibits, and real estate tax returns issued for real properties owned by them and approved by the relevant departments of municipalities, and if deemed necessary by the Agency, a certificate to be received from the relevant land registries, containing land registry records of and annotations and encumbrances on the aforesaid real properties; and

ı) certificates to be issued by the relevant banks to the name of the Agency, all of them bearing the same date, for confirmation of information given in statements of natural person or legal entity transferees of shares about their deposit and credit accounts, in such manner to contain also the opening dates of these accounts; and

j) detailed curriculum vitae of natural person transferees of shares, and of natural person partners holding qualified shares in capital of legal entity transferees of shares, in such manner to contain also information as to whether they have taken office in a financial institution at any time during the last ten years; and

k) copies of powers of attorney granted to person or persons authorized to represent natural person or legal entity transferees of shares; and

- l) a statement giving information as to how financial sources required for purchasing of shares will be found; and
- m) a copy of the agreement signed in respect of transfer of shares; and
- n) a statement to be issued and signed by transferees of shares, giving information as to how they are going to find the required financial sources, and verifying that they have found these financial sources out of their own commercial, industrial and other legal business activities and free from any kinds of collusion, in accordance with the format given in Annex-4 attached hereto; and
- o) tables indicating the shareholding structure of legal entity transferees of shares up to their natural person partner or partners, and lists showing their privileged shares, or if they do not have any privileged shares in capital, a statement in relation therewith; and
- ö) copies of decisions taken by authorized managerial bodies of legal entity transferees of shares certifying their partnership in the bank; and
- p) in the case of acquisition of shares by a bank or a financial institution established abroad:
 - 1) their business plans analysing the benefit expected from acquisition of shares, and describing which operations and activities will be carried out, and how internal audit, internal control and risk management will be conducted, as well as an activity program indicating the structural organization of bank, and describing the goals and targets of share investment, for three years following the date of purchase of shares; and
 - 2) their articles of association; and
 - 3) copies of decisions taken by authorized managerial bodies of them certifying the acquisition of capital shares of one of the existing banks; and
 - 4) their balance sheets and profit and loss statements and independent audit reports of the last five years; and
 - 5) statement issued by their authorized boards verifying that they are not forbidden to collect and accept deposits or participation funds or to engage in banking activities and operations in the country where they are founded or actively operating, and/or their activities and operations are not restricted or limited therein; and
 - 6) detailed information and documents about their organization chart and structure, and their organization in the country they are founded and outside the country they are founded, and their activities and operations in international financial markets, as well as a report prepared and issued by rating companies about banks or financial institutions, also including the rating given for them; and

7) statement certifying that reports to be issued about annual audits to be conducted by any one of authorized independent audit firms according to the applicable laws and regulations of the country they are headquartered will be submitted to the Agency; and

8) minutes and memoranda of their last general assembly meeting, and a list of their partners holding more than ten percent of their capital, approved by official authorities of the country they are headquartered.

(2) The Agency may at any time request any additional information and documents deemed fit and necessary. The Board is authorized to take actions in reliance upon information and documents having different contents.

(3) Even in case of lack of transfer of capital shares, establishment of privileges, or removal of existing privileges, or establishment of right of usufruct, on existing capital shares are also subject to a permission of the Board within the frame of procedures and principles set forth in this Article.

(4) **(Amended by the Regulation promulgated in the Official Gazette edition 27723 on 8/10/2010)** The provisions of the preceding paragraphs are applicable also in case of purchase of capital shares of a bank from execution office in accordance with the provisions of the Execution and Bankruptcy Law no. 2004 dated 9/6/1932.

(5) **(Amended by the Regulation promulgated in the Official Gazette edition 27723 on 8/10/2010)** The board of directors is under obligation to take actions and measures required to determine whether permission is taken from the Board for participants of general assembly meetings of bank within the frame of obligations contemplated in Article 18 of the Law, except for third, seventh and eighth paragraphs thereof.

(6) **(Amended by the Regulation promulgated in the Official Gazette edition 27723 on 8/10/2010)** If and when it is detected that unauthorized shareholders have used shareholding rights in general assembly meetings of bank due to failure in receipt of the required permissions from the Board, then and in this case, pursuant to Article 68 of the Law, the Agency requests the board of directors to initiate the procedures required for cancellation of decisions taken therein within the frame of relevant articles of the Turkish Commercial Code no. 6762 dated 29/6/1956. If the procedures required for cancellation of decisions taken in general assembly meeting are not initiated, the Agency takes all actions and measures deemed fit and appropriate as per Article 69 of the Law. Furthermore, both in this case and if the transfer of shares is found unacceptable by the Board in spite of an action taken for cancellation of the general assembly decision, the shareholding rights, except for dividends, relating to said shares are used by the Fund upon a notice of the Agency. However, the Fund cannot use the rights of option pertaining to said shares.

(7) **(Amended by the Regulation promulgated in the Official Gazette edition 27723 on 8/10/2010)** If and when shares of a legal entity holding and owning ten percent or more of share

capital of a non-public bank are transferred within the percentages set forth in first paragraph of Article 18 of the Law, a prior permission is required to be received from the Board pursuant to sixth paragraph of Article 18 of the Law for usability of shareholding rights, except for dividends, relating to said shares of the relevant bank. Otherwise, unauthorized shareholders are deemed to have voted in general assembly meeting of the relevant bank, and provisions of sixth paragraph are applied.

Shares Acquired via Stock Exchange

ARTICLE 11/A - (Added by the Regulation promulgated in the Official Gazette edition 27723 on 8/10/2010)

(1) In case of acquisition of capital shares of banks publicly traded in stock exchange up to the rates specified in first paragraph of Article 18 of the Law, shareholding rights, except for dividends, relating to said shares of the relevant bank may be used only in reliance upon a permission received from the Board as per the aforesaid paragraph. The provisions of this paragraph are applicable also if and when said rates are reached by acquisition of shares of the relevant bank listed and traded in stock exchange, also including shares acquired from over-the-counter markets.

(2) In case of acquisition from stock exchange of capital shares granting the privilege of nomination of members to board of directors or to audit committee, the permission contemplated in second paragraph of Article 18 of the Law is essentially required to be taken, regardless of whether or not the acquirer intends to use voting rights associated thereto.

(3) Without prejudice to other provisions of the Law, those who use shareholding rights, except for dividends, as if duly registered in share book, without getting permissions required to be taken in accordance with provisions of first and second paragraphs hereof, will be asked to give their defence and be subject to the proceedings specified in Article 147 of the Law, and the relevant bank will be subject to provisions of sixth paragraph of Article 11.

(4) In the event that capital shares listed and traded in stock exchange of a publicly-traded legal entity holding and owning ten percent or more of capital shares of a bank are acquired from stock exchange up to the rates leading to change of controlling shareholder thereof, a prior permission is required to be received from the Board pursuant to sixth paragraph of Article 18 of the Law for usability of shareholding rights, except for dividends, relating to said shares of the relevant bank. Otherwise, unauthorized shareholders are deemed to have voted in general assembly meeting of the relevant bank, and provisions of sixth paragraph of Article 11 are applied. Furthermore, in case of acquisition of shareholding rights of the relevant legal entity without a prior permission of the Board, the shareholding rights, except for dividends, relating to said shares of the relevant bank are used by the Fund upon a notice of the Agency. However, the Fund cannot use the rights of option pertaining to said shares. Those who acquire these shares without a prior permission will be asked to give their defence and be subject to the proceedings specified in Article 147 of the Law. The provisions of this paragraph are applicable

also if and when change of controlling shareholder is realized by acquisition of shares of the relevant legal entity listed and traded in stock exchange, also including shares acquired from over-the-counter markets.

(5) Provisions of first and second paragraphs of Article 11 are applicable also in case of applications for permission to be filed pursuant to first, second and fourth paragraphs hereof.

(6) Provisions of the preceding paragraphs are applicable also in case of transfer of shares acquired as stipulated in this Article.

Capital Increase

ARTICLE 12 – (1) Capital increases are essentially required to be paid in cash without use of internal sources, except for sources permitted to be added by the applicable laws and regulations, free from all kinds of collusion. Prior consent of the Agency is sought for in registration in the Trade Registry of amendments of articles of association pertaining to capital increases.

(2) Amounts to be used in capital increase may be transferred to capital account in reliance upon a permission to be given by the Agency after it is duly determined that the sources comprising these amounts meet and satisfy the conditions sought for by the applicable laws pertaining thereto.

(3) Portion of share capital determined to have been increased in conflict with the laws is not taken into account in calculation of shareholders' equity within the frame of procedures and principles cited in fifth paragraph of Article 4 of the Regulation on Shareholders' Equity of Banks.

SECTION THREE Indirect Shareholding

Indirect Shareholding

ARTICLE 13 – (1) Procedures and principles to be applied in determination of indirect shareholding of a natural person or legal entity in share capital of a bank founded or to be founded in Turkey are detailed in the following paragraphs:

a) Shareholding structures of legal entity corporations which presently own or are going to acquire capital shares in bank and if any, their legal entity partners are determined up to natural persons, if needed, successively.

b) Rates of indirect shareholding in share capital of a bank through legal entities are calculated by multiplication of participation rates therein. If the same person has direct shareholding in legal entities standing at interim steps, said direct shareholding rate is added to the total rate calculated up to that interim step, before the next multiplication.

(2) Determinations and assessments regarding indirect share transfers or similar other indirect shareholdings under this Law in respect of capital of legal entities holding shares in capital of bank will, unless clearly specified otherwise in the applicable laws and regulations, be performed according to provisions of first paragraph on the basis of capital of the legal entity shareholder, rather than capital of the bank.

SECTION FOUR

Miscellaneous and Final Provisions

Documents to be Collected from Abroad

ARTICLE 14 – (1) In respect of applications covered by this Regulation, out of the documents to be requested from foreign persons and entities, those which are deemed necessary and those which can be collected according to the applicable laws of the relevant country are requested.

(2) If criminal conviction certificates, or documents relating to bankruptcy and composition with creditors, requested from foreign persons or entities cannot be provided due to lack of an authority or system keeping said records of criminal conviction, bankruptcy or composition with creditors in the relevant country, it should be duly proven by a certificate to be received from official authorities of the relevant country, and said certificate should be delivered to the Agency.

(3) Documents to be collected from abroad in respect of applications covered by this Regulation are required to have been approved by official authorities of the relevant country and the embassy or consulate of Turkey in that country or in accordance with pertinent provisions of the Convention Abolishing the Requirement of Legalization for Foreign Public Documents issued and signed within the frame of The Hague Conference on International Private Law, and the application should be accompanied by notary-certified translations of such documents.

Adaptation

TEMPORARY ARTICLE 1 - (Added by the Regulation promulgated in the Official Gazette edition 30509 on 14/8/2018)

(1) Last sentence of seventh paragraph of Article 8 of this Regulation covers also share acquisitions in capital of corporations which are founded by a Decree-Law or a Decision of the Council of Ministers prior to effective date of this Article and the use of services of which is made subject to the condition of acquisition of shares in their capital.

Effective Date

ARTICLE 15 – (1) The provisions of this Regulation become effective as of the date this Regulation is published.

Enforcement

ARTICLE 16 – (1) The provisions of this Regulation are enforced by the Chairman of the Banking Regulation and Supervision Agency.

(1) By the amendment promulgated in the Official Gazette edition 26838 on 5/4/2008, subparagraph (1) is added to first paragraph of Article 3, and the subsequent paragraphs are renumbered accordingly.

(2) This amendment enters into force as of 1/1/2020.

	Official Gazette edition where this Regulation is published	
	Date	Edition
	01/11/2006	26333
Official Gazette editions where Regulations Amending this Regulation are published		
	Date	Edition
1	24/07/2007	26592
2	05/04/2008	26838
3	05/08/2008	26958
4	23/01/2009	27119
5	08/10/2010	27723
6	04/02/2011	27836
7	09/06/2017	30091
8	14/08/2018	30509
9	13/02/2019	30685

**STATEMENT RELATING TO
BANK FOUNDERS / TRANSFEREES OF SHARES
(LEGAL ENTITIES)**

LEGAL ENTITY'S:						
TITLE		:				
HEAD OFFICES AND DATE OF FOUNDATION:						
CAPITAL		:				
(Descriptive)						
ADDRESS		:				
FIELDS OF ACTIVITY						
:						
SOME BALANCE SHEET SIZES (THOUSAND YTL) FOR THE LAST FIVE YEARS:						
YEAR	NET PROFIT (LOSS) (1)	SHAREHOLDERS' EQUITY	TOTAL ASSETS			
SUBSIDIARIES (2)						
	COMPANY NAME	TYPE OF ACTIVITY	CAPITAL	AMOUNT OF SHARES		
1						
2						
3						
4						
5						
6						
7						
8						
REAL PROPERTIES OWNED (3):						
	LOCATION	KIND	PLOT	BLOCK	PARCEL	ENCUMBRANCES
1						
2						
3						
4						
5						
6						
7						
8						

SECURITIES (Total Amounts by Types) (4) (5):

--	--	--	--	--	--

DETAILED BREAKDOWN OF SOURCES TO BE USED FOR PAYMENT OF CAPITAL SUBSCRIPTIONS

1					
2					
3					
4					
5					

BANKS IT IS WORKING WITH (6) (7):	1	2	3	4	5
BANK NAME					
DEPOSITS (THOUSAND YTL)					
DEMAND DEPOSITS					
TIME DEPOSITS					
CREDITS (THOUSAND YTL)					
AMOUNT					
GUARANTEE					
TYPE					
MATURITY					
	6	7	8	9	10
BANK NAME					
DEPOSITS (THOUSAND YTL)					
DEMAND DEPOSITS					
TIME DEPOSITS					
CREDITS (THOUSAND YTL)					
AMOUNT					
GUARANTEE					
TYPE					
MATURITY					

DEBTS OWED TO NATURAL PERSONS OR LEGAL ENTITIES OTHER THAN BANKS (8):

	NAME OF CREDITOR	RECEIVABLES		
		TYPE	AMOUNT	MATURITY
1				
2				
3				
4				
5				

WHETHER LOANS BORROWED BY COMPANY OR BY NATURAL PERSONS OR LEGAL ENTITIES HOLDING MORE THAN 10 PERCENT OF SHARE CAPITAL OF THE COMPANY FROM LOCAL OR FOREIGN BANKS DURING THE LAST FIVE YEARS HAVE EVER BEEN SUBJECT TO LEGAL AND EXECUTION PROCEEDINGS OR NOT:

DETAILED EXPLANATIONS ABOUT MAJOR LEGAL DISPUTES TO WHICH THE COMPANY IS PRESENTLY A PARTY:

SIGNATURE:

DATE: ___/___/___

EXPLANATIONS:

- (1) Amount remaining after setting aside the provisions for tax will be inserted.
 - (2) Participation rate will be filled in if it is equal to or more than 5% of share capital of the subsidiary.
 - (3) All real properties owned by the applicant will be inserted in this section, together with all encumbrances thereon, if any.
 - (4) Bonds, debentures, gold, precious stones and metals, etc. will be inserted in this section, together with all encumbrances thereon, if any.
 - (5) Share certificates belonging to subsidiaries will be excluded.
 - (6) If credit facilities of more than one type are borrowed from the same bank, they will be shown separately.
 - (7) If the applicant works with more than one branch of the same bank, they will be shown separately.
 - (8) Payables and debts equal to or more than 5% of share capital of the company will be inserted in.
- Sums insured of the insured assets will be indicated separately.

NOTE: If the sections and boxes assigned in the form are not adequate, an additional form may be used therefor.

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

**STATEMENT RELATING TO
BANK FOUNDERS / TRANSFEREES OF SHARES
(NATURAL PERSONS)**

NAME AND SURNAME :	Photograph		
BIRTH PLACE AND DATE :			
NATIONALITY :			
MOTHER'S NAME :			
FATHER'S NAME :			
RESIDENCE ADDRESS :			
EDUCATION STATUS :			
(Detailed)			
NAME AND ADDRESS OF PRESENT EMPLOYER :			
PROFESSION AND JOB POSITION :			
TAX IDENTITY NUMBER¹ :			
T.R. IDENTITY NUMBER :			
PREVIOUS EMPLOYERS			
	COMPANY NAME (1)	RECRUITMENT & RESIGNATION DATES	JOB TITLE
1			
2			
3			
4			
ANNUAL INCOME TAXES OF LAST FIVE YEARS, AND INCOME TAXES PAID (THOUSAND YTL):			
YEAR	NET INCOME	INCOME TAX PAID	

¹ 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.

**COMPANIES WHERE THE APPLICANT
HOLDS CAPITAL SHARES (2):**

	COMPANY NAME	TYPE OF ACTIVITY	CAPITAL	AMOUNT OF SHARES
1				
2				
3				
4				

REAL PROPERTIES OWNED (3):

	LOCATION	KIND	PLOT	BLOCK	PARCEL	ENCUMBRANCES
1						
2						
3						
4						
5						
6						
7						
8						

SECURITIES (Total Amounts by Types) (4) (5):

--

**DETAILED BREAKDOWN OF SOURCES TO BE USED FOR PAYMENT OF CAPITAL
SUBSCRIPTIONS**

1	
2	
3	
4	
5	

OTHER ASSETS THE APPLICANT OWNS:

BANKS IT IS WORKING WITH (6) (7):	1	2	3	4	5
BANK NAME					
DEPOSITS (THOUSAND YTL)					
DEMAND DEPOSITS					
TIME DEPOSITS					
CREDITS (THOUSAND YTL)					
AMOUNT					
GUARANTEE					
TYPE					
MATURITY					

	6	7	8	9	10
BANK NAME					
DEPOSITS (THOUSAND YTL)					
DEMAND DEPOSITS					
TIME DEPOSITS					
CREDITS (THOUSAND YTL)					
AMOUNT					
GUARANTEE					
TYPE					
MATURITY					

DEBTS OWED TO NATURAL PERSONS OR LEGAL ENTITIES OTHER THAN BANKS (8):

	NAME OF CREDITOR	RECEIVABLES		
		TYPE	AMOUNT	MATURITY
1				
2				
3				
4				
5				

WHETHER THE APPLICANT HAS PREVIOUSLY APPLIED FOR LICENSING FOR OPERATIONS IN FINANCIAL SECTOR IN TURKEY OR IN ANOTHER COUNTRY, AND IF SO, IN WHICH AREAS SAID OPERATIONS WERE, AND IF PREVIOUS APPLICATION WAS REFUSED OR THE EXISTING LICENSE WAS CANCELLED, REASONS OF IT (8):

WHETHER THE APPLICANT HAS EVER BEEN SUBJECT TO LEGAL AND EXECUTION PROCEEDINGS DUE TO LOANS OR OTHER FINANCING SOURCES BORROWED FROM LOCAL OR FOREIGN BANKS OR OTHER FINANCIAL INSTITUTIONS DURING THE LAST FIVE YEARS OR NOT:

WHETHER THE SUBSIDIARIES OF THE APPLICANT HAVE EVER BEEN SUBJECT TO LEGAL AND EXECUTION PROCEEDINGS DUE TO LOANS BORROWED FROM LOCAL OR FOREIGN BANKS OR OTHER FINANCIAL INSTITUTIONS DURING THE LAST FIVE YEARS OR NOT:

WHETHER THE APPLICANT IS A PARTY TO A PENDING PUBLIC CASE OR NOT, AND IF SO, SUBJECT MATTER OF THE PENDING CASE:

WHETHER THE APPLICANT IS A PARTY TO A PENDING CASE, OTHER THAN PUBLIC CASES OR NOT, AND IF SO, SUBJECT MATTER OF THE PENDING CASE:

DETAILED EXPLANATIONS ABOUT MATERIAL DISPUTES TO WHICH THE APPLICANT IS PRESENTLY A PARTY:

SIGNATURE:

DATE: ___/___/___

EXPLANATIONS:

- (1) Name or trade title of enterprise, employer or company for which the applicant works will be inserted.
- (2) Participation rate will be filled in if it is equal to or more than 5% of share capital of the subsidiary.
- (3) All real properties owned by the applicant will be inserted in this section, together with all encumbrances thereon, if any.
- (4) Bonds, debentures, gold, precious stones and metals, etc. will be inserted in this section, together with all encumbrances thereon, if any.
- (5) Share certificates belonging to companies named in “Companies Where the Applicant Holds Shares” will be excluded.
- (6) If credit facilities of more than one type are borrowed from the same bank, they will be shown separately.
- (7) Banks, insurance companies, financial leasing, factoring companies, authorized institutions and other firms operating according to the Capital Markets Law, etc. will be inserted.

Sums insured of the insured assets will be indicated separately.

NOTE: If the sections and boxes assigned in the form are not adequate, an additional form may be used therefor.

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 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 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 Fund, or before their banking operations and deposit and participation fund collection licenses or permits are cancelled and withdrawn.

___/___/___

NAME & SURNAME

SIGNATURE

STATEMENT

TO: BANKING REGULATION AND SUPERVISION AGENCY

We, the Undersigned, hereby declare, state and acknowledge that the initial capital / purchasing price referred to in our requisition to found Bank / to acquire its capital shares has solely arisen out of our own business activities in industries, commerce and service sectors, and that this initial capital / purchasing price will be provided and paid in cash free of any kinds of collusion.

___/___/___

NAME & SURNAME

SIGNATURE

Statement
Relating to Request to Accept and Collect Deposits and/or
to Engage in Banking Operations
by Bankası A.Ş. Permitted to be Founded
by a Decision of the Banking Regulation and Supervision Board,
no., dated ___/___/___

Bank Name	
Bank Address	
Paid Capital Amount	
Date of Registration of its Articles of Association	

Authorized Signatures

Enclosures:

- 1. Foundation Balance Sheet (notary-certified)**
- 2. Articles of Association (notary-certified)**
- 3. Certificate of Registration in Trade Registry (notary-certified)**
- 4. Trade Registry Gazette edition containing public disclosure of foundation (notary-certified)**
- 5. Names and Curriculum Vitae of Directors, General Manager and Deputy General Managers**
- 6. Copy of Receipt proving Payment of Public Fees levied for Financial Activity License (notary-certified)**
- 7. Copy of Receipt proving payment of System Admission Fee**

¹ 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.

