

RISK NOTIFICATION FORM FOR PRIVATE SECTOR DEBT SECURITIES

I. IMPORTANT NOTICE

As a result of trading in private sector debt securities, you may not only gain profit but you have also the risk of loss. Therefore, before deciding to trade, you should understand the risks that you may be exposed in the market, and decide by considering your financial status and limits.

For this purpose, you should read and understand the *Risk Notification Form* for Private Sector Debt Securities pursuant to Article 25 of the Communiqué No. III-39.1 on Principles Governing the Establishment and Activities of Investment Firms.

II. WARNING

Before starting to trade, please make sure that the investment firm with whom you are intending to work has relevant trade brokerage certificates and Borsa Istanbul Membership Certificate. You may learn certified investment firms from the websites of www.spk.gov.tr, www.borsaistanbul.com and www.tspb.org.tr or via other communication means.

III. GENERAL INFORMATION

Private sector debt securities refer to the bonds issued by issuers as debtor under the relevant capital market legislation, bonds convertible into equities, exchangeable bonds, bills, precious metal bonds, Eurobonds and other capital market instruments which are considered by the Capital Markets Board as private sector debt securities by their nature under the capital market legislation.

Before entering into a transaction, you are recommended to determine the debt security, issuer, market and markets according to your needs, determine the associated risks, and carry out the research and examination you may deem necessary, and make your investment decisions accordingly. General and non-exhaustive information on some private sector debt securities is provided below.

Bills

Debt securities issued and sold by issuers as debtor according to the capital market legislation, containing the commitment of repayment of nominal value to the investor on the maturity date, with a term no less than 30 days and no more than 364 days.

Eurobond

Debt securities which are medium-and long-term in general, and sold in foreign currency in international markets, by issuers intending to find funding outside their home country.

Bonds

Debt securities issued and sold by issuers as debtor, according to the provisions of capital market legislation, containing the commitment of repayment of nominal value to the investor on the maturity date, with a term of 365 days or longer.

IV. SECONDARY MARKET INFORMATION

Private sector debt securities generally have secondary markets, however, trade volume in the secondary market may not be high. Private sector debt securities issued in Turkey can be traded in Borsa Istanbul A.S.

Debt Securities Market (“Debt Securities Market”) or over-the-counter, as the secondary market. Private sector debt securities issued abroad may be traded on the exchange they have been listed or over-the-counter.

V. RISK NOTIFICATION

Some of the risks associated with the private sector debt securities are set forth in the following, in addition to those specified in the *Capital Market Activities Framework Agreement General Terms and Conditions* (“Framework Agreement”) which is executed or will be executed between you and the investment firm and the *Investment Services and Activities General Risk Notification Form* attached thereto:

1. The account to be opened at the investment firm and any transactions executed in such account are subject to all legislation and orders issued by the Capital Markets Board, Borsa Istanbul, central securities depositories, central registry agencies, and clearance and custody houses, and similar regulations. Applicable legislation, regulation, and practices may be amended from time to time; therefore, it is important that you follow the changes that may occur in the legislation, regulation and practices.

2. Private sector debt securities are subject to risks at various levels and kinds. There is no guarantee of return for the principal or earning any interest. In case of issuer company’s default, you may lose your entire investment in the private sector debt securities, and you may miss out the expected profits.

3. The fact that issuance of private sector debt securities is permitted or that they are traded abroad cannot be construed as a guarantee on such securities by the Capital Markets Board or Borsa Istanbul A.S.

4. Values of private sector debt securities traded on the secondary market before their maturity may be affected by price fluctuations due to the general economic and political environment, and speculative and manipulative activities.

5. Transactions on private sector debt securities involve counterparty risk. Accordingly, before starting to trade, you should consider the possibility of deterioration of issuer company’s financial condition and declaration of bankruptcy, and default.

6. Private sector securities involving high risk, may yield higher returns, however you should be aware that if you invest in such securities, the risk that you are exposed to is also higher. Before making an investment decision, you are recommended to carefully consider the risk factors involved in private sector debt securities that you intend to trade and the issuer companies, and obtain professional assistance if you need to.

7. Due to the supply/demand balance, influenced by the qualification, quantity and other aspects of debt securities traded in secondary market before maturity, and the market conditions, you may be exposed to liquidity risk.

8. In trades at Debt Securities Market, you need to be careful about the settlement terms and periods and fulfil your settlement obligation in due time, in order to avoid defaulting.

9. It must be known that, in addition to the abovementioned risks, the transactions in foreign currencies also bear currency risk, and there may be loss of value in Turkish Liras due to fluctuations in exchange rates, governments may restrict foreign capital and currency movements, and impose additional and/or new taxes, and transactions may not be executed timely.

10. You should be aware that, in accordance with the relevant legislation, issuer companies may be delisted by exchanges, and debt securities may be permanently or temporarily suspended and competent authorities and institutions may take other measures and actions.

11. Market making system may be applicable for all private sector debt securities traded on Debt Securities Market. Information on market maker exchange members in Borsa Istanbul A.S., and the securities for which they may act as market maker are available on www.kap.gov.tr and www.borsaistanbul.com

12. It should be noted that any information or recommendations provided by the investment firm for transactions may be insufficient and may require verification.

13. It should be taken into consideration that any technical and basic analysis carried out by authorized personnel of the investment firm, may vary from person to person, and that any forecasts made during such analyses may not come true.

VI. OTHER RISKS

Risk Notification Form for Private Sector Debt Securities intends to inform you in general on the risks regarding the market subject to the form, and the products traded in the market, and may not cover all risks that may arise from trading in private sector debt securities and the risks that may arise in practice. Therefore, before deciding to invest, you are recommended to make necessary research on the debt securities that you intend to trade in, and the issuer company, market, platform and markets, and obtain professional assistance.

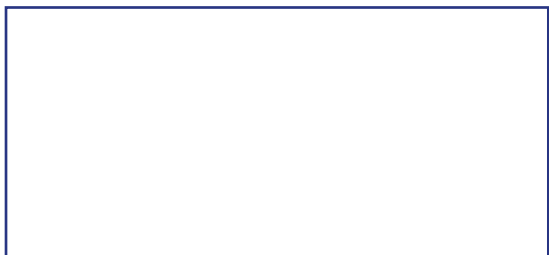
VII. COMMISSIONS, FEES AND TAXES

Before entering into any transaction, you should be aware that your transactions will be subject to commissions, fees and charges payable to exchanges, clearance and custody houses and investment firms, and to taxes at the rates specified under the relevant legislation. Before entering into any transaction, you may obtain information on commissions, fees and charges related to your transactions by reviewing the Commission and Expense Tariff appended to the Framework Agreement. If you have any question on how the commissions, fees, charges and taxes will be applied to you, a written explanation containing understandable examples will be provided to you upon request.

I have read and understood *the Risk Notification Form for Private Sector Debt Securities* given above, before starting to trade in private sector debt securities and I have taken hand-delivery of a copy of *the Risk Notification Form for Private Sector Debt Securities*.

INVESTOR

Please write “I have read, acknowledged, and received” with your handwriting, and sign in the box below



Name, Surname / Title:

Date:

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