

CONTENTS

1. GOVERNMENT BONDS / TREASURY BILLS / EUROBOND / CORPORATE BONDS / LEASE CERTIFICATES (FIXED INCOME SECURITIES) 2

2. OTC DERIVATIVES (FORWARD, SWAP, OPTION, DCD) / COLLATERALIZED DEBT OBLIGATION (CDO) 2

1. Government Bonds / Treasury Bills / Eurobond / Corporate Bonds / Lease Certificates (FIXED INCOME SECURITIES)

Government Bonds / Treasury Bills / Eurobond / Corporate Bonds / Lease Certificates (FIXED INCOME SECURITIES) transactions are covered by portfolio. These operations are; carried out by the relevant executive and executive assistants in the Branches or Treasury Business Unit or by the managers, and executive assistants in the Private Banking Business Unit.

The workflow differs depending on whether the client is an existing client or a new client. Clients with an investment account prior to the start of the compliance period are defined as "current clients." whereas clients who do not have an investment account before the start of the compliance period and clients who open a new investment account are defined as "new clients"

1) If the client trades from the branch, the workflow shall be as follows:

During the compliance period, existing clients are not required to sign the new Retail Banking Service Agreement (Retail Banking Service Agreement)/Technology Service Contract (Commercial Banking Service Agreement), general Risk Notification Form and product-based Risk Notification Form, which contain conflict of interest policy clauses for Fixed Income Security transactions. At the end of the compliance period, the process is completed by obtaining the new Retail Banking Service Agreement/Technology Service Agreement, General Risk Notification Form and Product Based Risk Notification Form containing conflict of interest policy clauses and scanning the related forms into the system so that existing clients can perform Fixed Income Security transactions.

- For existing clients; login to the bank system by branch staff is performed so that a warning shall be assigned by the system after an updated Fixed Income Security check.
- The new Retail Banking Service Agreement / Technology Service Contract, General Risk Notification Form and Product Based Risk Notification Form containing the articles of Conflict of Interest Policy are filled and signed by the clients without current Retail Banking Service Agreement/Technology Service Agreement. General Risk Notification Form and Product Based Risk Notification Form can also be obtained via Internet Banking Channel. General Risk Notification Form and Product Based Risk Notification Form are scanned and entered into the system.
- For new clients, the new Retail Banking Service Agreement/Technology Service Agreement A is signed which contains the articles of the Conflict of Interest Policy with the client's request for the product and also General Risk Notification Form and Product Based Risk Notification Form are filled and signed by the client, and they are scanned and entered into the system.
- Client is requested to fill and sign the order form regarding the Fixed Income Security transaction to
- In the event that a security is requested by the client that is not included in the bank portfolio, relevant personnel in the Treasury Business Unit is to be informed.
- The requested value can be obtained from an institution in Turkey or abroad and registered into bank portfolio
- When the security to be processed is selected, the system shall check whether the Compliance Test is mandatory for the relevant product
- If a compliance test is required for the product to be processed, it is primarily checked systematically whether the client has a conformity test and Business Interruption warning is issued for clients who do not have compliance testing.
- Compliance and Legitimacy Tests can also be done through Internet banking; If it is done by our branches, the Compliance and Legitimacy Test is filled and signed by the client and the answers are entered systematically.
- For professional clients, the product-based risk notification form is optional and warning or interruptive message shall not be declared. For professional clients, obtaining the "Information Form on Regulations Provisions That Professional Clients Cannot Benefit from" will be a task interruption.
- The resulting result form is printed as 2 copies and signed to the client, one copy is delivered to the client and scanned into the system upon approval.
- In accordance with Client Compliance Test result, the appropriate product can be processed. Accordingly, if a product that does not comply with the compliance test result is selected, the task interruption message is provided.
- If the client wants to make a different transaction than the profile determined as a result of the test, he/she will provide a written consent stating that "I accept the risk that may arise from this process" and put a checkmark on appropriate box. When if the declaration is defined in the system, the client can receive the item requested
- If there is no Compliance Test requirement for the requested item, client can continue processing.
- By system input, It is systematically checked whether there is a "Product Based Risk Notification Form" depending on the product requested and task interruption warning shall be released. In case such warning is issued; Product Based Risk Notification Form is signed by client.
- One copy of the General Risk Notification Form and Product Based Risk Notification Form signed by the client is delivered to the client. If the General Risk Notification Form and Product Based Risk Notification Forms and the Compliance / Legitimacy Test received over Internet Banking, a printed copy acquired from the system is provided upon request by the client and delivered to the client.
- It is checked whether the client has an investment account for the purchase of Fixed Income Securities.
- For clients who do not have an investment account, an investment account is opened upon client request.
- It is checked whether the clients with new account or existing investment account have CSD record..
- CSD registration record is obtained for clients without CSD registration record.
- The instructions and forms received for the Fixed Rate Securities purchase transaction are scanned into the system.
- By making Fixed Income Securities purchase transaction, transaction result form and receipt are generated.
- Transaction result is transferred to client account.
- Transaction result form and receipt are signed by the client and these documents are scanned into the system and archived. A copy of the transaction result form and the receipt are given to the client.

2) In case the client calls the relevant Head Office units directly, the work flow is as follows:

- If clients wish to make special priced transactions, they can apply through the branch or directly to the treasury department.
 - In case clients apply to the branch, the branch requests a special price from the relevant Treasury unit and makes input to the system. The special price received on the phone is systematically approved.
 - In case the client applies directly to the Treasury department, after getting mutual agreement with the client on the registered phone, the branch is informed for transaction entry and this transaction is sent to the Treasury Business Unit for approval.

Before the approval of the Treasury Business Unit, the branch transfers the amount from the client account for the realization of the transaction.

- Transfer receipt is generated and scanned into the system.
- Transaction result form and receipt are generated.
- The result of the transaction is reflected in the client account.
- Transaction result form and receipt are signed by the client, scanned into the system and archived. A copy of the transaction result form and the receipt are provided to the client.

2. OTC DERIVATIVES (FORWARD, SWAP, OPTION, DCD) / COLLATERALIZED DEBT OBLIGATION (CDO)

OTC Derivatives (Forward, Swap, Option and DCD) transactions are covered by portfolio brokerage and when Client applies to the branch or the relevant Head Office unit, charge for OTC Derivatives (Forward, Swap, Option and DCD) shall be calculated according to Client request.

The work flow differs depending on whether the client is an existing client or a new client. Clients who have investment accounts before the commencement of compliance period are "current clients"; whereas Clients who do not have an investment account and those who open a new investment account before the start of the compliance process will be considered as "new clients".

1) In case the client makes a transaction from the branch, the work flow shall be as follows:

- The appropriate agreement among the General Loan Agreement, Pledge Agreement and Framework Agreement for Derivative Products is signed by the client and signed agreements are scanned and saved in archives.
- The joint serial number of the contract created in the in-bank system is written on the printed contract.
- In order to make clients to understand the risks of Derivative Products, "Over-the-counter Derivative Instruments Risk Notification Form" is signed and scanned into the system.
- Product Based Risk Notification Form is optional for professional clients and none of warning or interruptive message is provided. Obtaining the "Information Form for Provisions of the Legislation that Professional Clients Cannot Benefit from" for professional clients shall be regarded as interruptive.
- The derivative product credit limit is requested by the branch for the client.
- The related Derivative Product Credit Limit request is evaluated and approved by the Credit Assignment Unit.
- A Compliance Test is performed by the branch before price quotation.
- Compliance Test can also be done via Internet Banking and in case it is performed by branch staff, Compliance Test Form is filled out and undersigned by Client and saved in the system. After that, approval is received Compliance and Legitimacy Tests are not applicable for corporate clients.
- The resulting form is printed in 2 copies and signed by the client, one copy is delivered to the client and the other copy is scanned into the system after approval.
- According to the result of the Compliance Test for the client, a transaction can be carried out for the relevant item. The client who wants to purchase products that do not comply with the Compliance Test result should return to the test section again. After that, Client shall put a checkmark on the box which declares "I accept all the risk arising from this transaction" and shall be able to buy this item once this statement is saved in the system.
- Branch requests price quotation over the screen or from the Treasury Business Unit.. The price quotation request can also be made by the client directly via the phone registered to these units.
- If the Treasury Business Unit gives out price quotation, it reports the indicative price to the branch.
- If the client accepts the price, instant prices are confirmed over registered phone number and the transaction is concluded.
- The current Retail Banking Service Agreement/ Technology Service Agreement is checked by the branch. When logging into the system, a warning is given for existing clients within the scope of compliance period and interruption for new clients.
 - Clients who do not have an up-to-date Retail Banking Service Agreement / Technology Service Agreement are made to sign a new Retail Banking Service Agreement / Technology Service Agreement and a General Risk Notification Form, including Conflict of Interest Policy.
 - The General Risk Notification Form is scanned and entered into system.
- For new clients; The new Retail Banking Service Agreement / Technology Service Agreement and the General Risk Notification Form, which includes the articles of the Conflict of Interest Policy with the client request for the product, are filled out and signed by the client. Afterwards, it is scanned and entered into the system.
- It is checked whether the clients who have opened an account or have an existing investment account have CSD records.
- For clients who do not have an investment account, an investment account is opened upon client request.
- Underlying asset check is done for clients with an account opening or an existing investment account whereas CSD record check is performed for clients having Fixed Rate Security.
- CSD registration is obtained for clients without CSD registration.
- If the transaction is made through the treasury unit; Derivative Product Instruction Form is sent to the related Treasury Department by e-mail.
- The information on the Derivative Product Instruction Form is entered into the system.
- The transaction information entered into the system with the Derivative Product Instruction Form is checked by Mid-office and Back Office units. Control areas; client information, transaction type, any amount, valor / maturity dates, etc.
- If there are any defective areas, the front office and / or branch are informed and these faults are corrected.
- After the corrections are made, the transaction is approved by back office approval.
- In transactions made by the treasury unit; In order for the branches to see the transaction on the system, transaction matching is made by the relevant treasury unit.
- If one of the documents mentioned above is missing during the matching process, a interruptive warning is received.
- In the event that all documents are completed, the "transaction result form" is printed by the branch and signed by the client, and the form is archived by scanning.
- The result of the transaction is registered in the client account.

2) In case the client calls the relevant Head Office units and requests price quotation, the work flow shall be as follows:

- In case the client applies directly to the relevant Head Office unit, price quotation is made via the registered telephone and the client is directed to the branch. Transaction information is transmitted to the branch.
- The relevant transaction flow continues as if the client makes a transaction from the branch. Same procedures shall be applicable for items on credit. There is no authorized institution that our bank will work within the scope of portfolio brokerage.