

# **COMMUNIQUE ON PRINCIPLES REGARDING LICENSING AND REGISTRATION FOR THE PROFESSIONALS ENGAGED IN CAPITAL MARKET ACTIVITIES**

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## **SECTION ONE Purpose, Scope, Basis and Definitions**

### **Purpose**

**ARTICLE 1-** The purpose of this Communiqué is to regulate the rules and principles on giving examinations for the determination of the persons' professional qualifications, knowledge and capabilities; licensing to demonstrate the professional qualifications related to the specialty areas; organizing education programmes and registering.

### **Scope**

**ARTICLE 2- (Changed by the Communiqué Serial: VIII, No: 52)** The persons who work in capital market institutions determined by the Law shall be subject to the provisions of this Communiqué.

### **Legal Basis**

**ARTICLE 3-** This Communiqué has been issued pursuant to subparagraph (t) of Article 22 of the Capital Market Law No:2499 as amended by Law No:4487 dated 15/12/1999.

### **Definitions**

**ARTICLE 4-** For the purposes of this Communiqué, the following definitions shall apply:

Law : Capital Market Law, Numbered 2499 and dated 28/07/1981,

Board : Capital Markets Board,

Intermediary Institutions : Banks and brokerage houses,

Real Estate Appraisal Company : Real estate appraising companies which are registered by the Board,

Rating Agencies : **(Added by the Communiqué Serial: VIII, No: 46)** Rating agencies which are authorized by the Board.

Independent Auditing Firms: **(Added by the Communiqué Serial: VIII, No: 46)** Firms which are authorized for independent auditing in capital markets by the Board,

Examination : **(Changed by the Communiqué Serial: VIII, No: 52)** "Capital Market Activities Basic Level Examination", "Capital Market Activities Advanced Level Examination", "Derivative Instruments Examination", "Real Estate Appraisers Examination",

“Residential Real Estate Appraisers Examination”, “Credit Rating Specialists Examination”, “Corporate Governance Rating Specialists Examination” and “Independent Auditing in Capital Markets Examination” organized by the Board with the aim of determining professional qualifications, knowledge and capabilities.

License : **(Changed by the Communiqué Serial: VIII, No: 52)** The certificate issued by the Board demonstrating professional proficiency for each activity area if the examinations are passed and other requirements for getting license are satisfied.

Registration : **(Changed by the Communiqué Serial: VIII, No: 52)** The activity entailing the registration of the information related to all the persons working in capital markets institutions determined by the Law except the persons working in auxiliary service positions in the data base, the disclosure of such information to the related institutions and organizations and the public, monitoring and updating of the records of the related persons during their employment.

## **SECTION TWO**

### **Principles on Licensing Examinations**

#### **Persons Required to Take the Examinations**

**ARTICLE 5-** The following persons are required to take licensing examinations:

**1- Specialist Staff:** Persons who work under managers and whose qualifications are described as follows:

a) **Customer Representative (Changed by the Communiqué Serial: VIII, No: 59):** Professionals in intermediary institutions including the out-of-center offices, dealing rooms and call centers who accepts customer orders to execute in related domestic and international markets in accordance with the customers’ account balance and risk preferences; observe purchase and sales transactions and transmit the orders to related stock exchange during sessions; inform the customers before and during sessions; follow generally the investment instruments, markets, issuers and laws and inform the customers on these subjects; follow the dates of auctions and redemptions of Treasury instruments and prepare preliminary studies on these subjects; follow customers’ risks; invest the customers’ cash receivables in line with the customer contracts; carry out marketing activities on these subjects; and perform similar works partly or completely. If mentioned activities are carried out in relation to derivatives, the professionals who do these activities partly or completely are deemed as the “Derivatives Customer Representative”.

**(Changed Second Paragraph by the Communiqué Serial: VIII, No: 59)** Professionals who perform works related to securities other than equities in call centers and professionals who carry out mutual funds, fixed-income instruments and repurchase and reverse repurchase transactions only to fulfill the customer requests together with banking services by offering teller services are not deemed as customer representatives in the scope of this Communiqué.

**(Changed Last Paragraph by the Communiqué Serial: VIII, No: 65)** Exchange member representatives shall not be included in the definition of customer representatives in the scope of this Communiqué.

b) **Researcher:** Professionals engaged in activities such as economic and financial research, following of developments in domestic and international markets and evaluation of their probable effects, processing information to help well directed investments, use and

interpretation of methods such as fundamental and technical analysis in the brokerage houses, non-deposit banks, portfolio management companies and investment trust companies.

Professionals employed in non-deposit banks' specialist units related to capital market activities or provide the activities defined above to these units shall be considered to be researchers in the scope of this Communiqué.

c) **Investment Adviser:** Professionals responsible for giving leading comments and investment advice to customers on capital market instruments, on the companies and institutions which issue these instruments and on similar subjects, partly or totally dealing with the investment advisory activities regulated by the Board.

d) **Corporate Finance Specialist:** Professionals who carry out activities related with intermediation in public offerings at brokerage houses and non-deposit banks.

e) **Portfolio Managers:** Professionals responsible for portfolio management at brokerage houses, non-deposit banks, portfolio management companies and investment trust companies.

**2- Managers:** Professionals who work at all levels of management including units which have specialist staff defined in subparagraph (1) and at the levels between managers and specialist staff in these units. (assistant managers, directors, etc.)

Manager of the specialist staff in the bank branches is the manager of the related unit which mentioned staff is being supervised according to the relevant activity.

**(Changed Third Paragraph by the Communiqué Serial: VIII, No: 52)** While reserving the provisions of the related legislation about managers, the licensing examinations are not compulsory for the members of the board of directors, general managers and assistant general managers.

**3- (Changed by the Communiqué Serial: VIII, No: 52) Inspector, Internal Control Personnel and Head of Inspection Unit:** Inspectors and internal control personnel working in the internal control unit and the heads of the inspection units of brokerage houses. The internal control unit personnel of capital markets institutions other than brokerage houses and fund auditors are required to take the examination if it is provisioned in related regulations.

**4- Branch Directors and Officers of Liaison Office:** Directors of the branches and officers of the liaison offices of brokerage houses.

**5- Derivatives Instruments Staff:** Professionals employed as a customer representatives on derivatives instruments, accountant and operational officer, derivatives instruments unit director and in the levels between derivatives instruments customer representative and derivatives instruments unit director in brokerage houses.

**6- (Changed by the Communiqué Serial: VIII, No: 52) Clearing and Operation Officers:** Professionals responsible for the transmission of clearing debt and credit of the capital market instruments into the customer name based custody system, controlling daily balance, updating the customer identification information, executing the transfer orders, following the capital raises and dividend payments and organizing the use of these rights on behalf of the customer, and the personnel carrying out these tasks partly or completely, in brokerage houses and portfolio custody institutions.

**(Added Paragraph by the Communiqué Serial: VIII, No: 59)** If mentioned activities are carried out in relation to derivatives, the professionals who do these activities partly or completely are deemed as the "Responsible Person for Derivatives Accounting and

Operations”.

**7- (Changed by the Communiqué Serial: VIII, No: 52) Real Estate Appraisers:** Persons who are employed by the real estate appraisal companies that value real estates, real estate projects or rights and benefits attached to real estates, or who are offering appraisal services by signing an agreement with real estate appraisal companies; and who have at least four years bachelor’s degree, three years experience on real estate appraisal and have been given the Real Estate Appraisers License pursuant to the licensing regulations of the Board.

**8- (Added by the Communiqué Serial: VIII, No: 46) Credit Rating Specialist:** Professionals responsible for the activity of credit rating.

**9- (Added by the Communiqué Serial: VIII, No: 46) Corporate Governance Rating Specialist:** Professionals responsible for the activity of rating on compliance with corporate governance principles.

**10- (Added by the Communiqué Serial: VIII, No: 46) Independent Auditors and Managers:** Independent auditors given responsibility of independent auditing by the independent auditing firms permitted for the independent auditing of the financial reports and other financial information which have to be announced to the public and have to be prepared according to the regulations of the Board about financial reporting standards and head and managers who have permission of acting on behalf of the firm and have titles like member of board of directors, chief executive officer, assistant chief executive officer and chief officer.

**11- (Added by the Communiqué Serial: VIII, No: 52) Residential Real Estate Appraisers:** Persons who appraise residential real estates and are employed by the real estate appraisal companies, or who are offering appraisal services by signing an agreement with appraisal companies in the circumstances that capital markets regulations require; and who have at least four years bachelor’s degree, one year experience on residential real estate appraisal and have been given the Residential Real Estate Appraisers License pursuant to the licensing regulations of the Board.

**(Added by the Communiqué Serial: VIII, No: 74)** In the scope of this Communiqué, assistant specialist staff, assistant inspectors, assistant internal control personnel, assistant derivatives customer representatives, assistant persons responsible for derivatives accounting and operations, assistant clearing and operation officers, assistant real estate appraisers, assistant credit rating specialists, assistant corporate governance rating specialists, assistant independent auditors and assistant residential real estate appraisers who work under the supervision of a licensed specialist staff, inspector, internal control personnel, derivatives customer representative, person responsible for derivatives accounting and operations, clearing and operation officer, real estate appraiser, credit rating specialist, corporate governance rating specialist, independent auditor and residential real estate appraiser, can continue working without a license certificate. However, these mentioned personnel shall obtain license to be able to be appointed as specialist staff, inspector, internal control personnel, derivatives customer representative, person responsible for derivatives accounting and operations, clearing and operation officer, real estate appraiser, credit rating specialist, corporate governance rating specialist, independent auditor and residential real estate appraiser.

### **Examination Types**

**ARTICLE 6-** The following examinations for licensing shall be organized by the Board:

a) **(Changed by the Communiqué Serial: VIII, No: 59) Capital Market Activities**

**Basic Level Examination:** Branch directors and the responsible persons of liaison offices of brokerage houses must take the Capital Market Activities Basic Level License.

Customer representatives should take the “Basic Level Customer Representative License” by passing the examination titles listed in the subparagraph (1), (2), (3), (4), (5) and (7) of paragraph (A) or the examination titles listed in the subparagraph (1), (2), (3), (4) and (8) of paragraph (B) of Article 12 of this Communiqué.

Derivatives customer representatives must take the “Derivatives Customer Representative License” by passing the examination titles listed in the subparagraph (4) and (5) of paragraph (C) of Article 12 of this Communiqué in addition to the examination titles listed in the subparagraph (1), (2), (3), (4), (5) and (7) of paragraph (A) or the examination titles listed in the subparagraph (1), (2), (3), (4) and (8) of paragraph (B) of Article 12 of this Communiqué.

b) **(Changed by the Communiqué Serial: VIII, No: 59) Capital Market Activities Advanced Level Examination:** Portfolio managers, researchers, investment advisers, corporate finance specialists, inspectors, internal control personnel, heads and managers of inspection units; members of the fund boards, fund auditors, internal control personnel and managers of the portfolio management companies that will manage the portfolios, of the funds defined in the related regulations; and the personnel responsible for fulfilling the obligations emanating from the capital markets regulations and coordinating the corporate governance practices in corporations whose shares are traded on the stock exchange should take the Capital Market Activities Advanced Level License.

c) **(Changed by the Communiqué Serial: VIII, No: 59) Derivatives Examination:** All the derivatives staff other than derivatives customer representatives and the persons responsible for derivatives accounting and operations; and portfolio managers, members of the fund boards, managers of the portfolio management companies that will manage the portfolios, of the funds defined in the related regulations, must take the Derivatives License.

The persons responsible for derivatives accounting and operations should take and pass the examination title of the “Accounting, Clearing and Operations” defined in the subparagraph (7) of paragraph (C) of Article 12 of this Communiqué.

d) **(Changed by the Communiqué Serial: VIII, No: 52) Real Estate Appraisers Examination:** Real estate appraisers shall pass and take the Real Estate Appraisers Examination in order to be able to obtain the license.

e) **(Added by the Communiqué Serial: VIII, No: 46) Credit Rating Specialists Examination:** Credit rating specialists shall pass and take the Credit Rating Specialists Examination in order to be able to obtain the license.

f) **(Changed by the Communiqué Serial: VIII, No: 59) Corporate Governance Rating Specialist Examination:** Corporate governance rating specialists and the personnel responsible for fulfilling the obligations emanating from the capital markets regulations and coordinating the corporate governance practices in corporations whose shares are traded on the stock exchange should take the Corporate Governance Rating Specialist License.

g) **(Added by the Communiqué Serial: VIII, No: 46) Independent Auditing in Capital Markets Examination:** Independent auditors and managers of independent auditing firms shall pass and take the Independent Auditing in Capital Markets Examination in order to be able to obtain the license.

h) **(Added by the Communiqué Serial: VIII, No: 52) Residential Real Estate Appraisers Examination:** Residential real estate appraisers shall pass and take the

Residential Real Estate Appraisers Examination in order to be able to obtain the license.

### **Examination Exemptions**

**ARTICLE 7- (Changed First Sentence by the Communiqué Serial: VIII, No: 52)** Among the persons who have all necessary qualifications determined in this Communiqué, the Law and related Communiqués of the Board to be able to have license;

a) With regard to the work areas subject to licensing specified in Article 5, those who have obtained certificates from an internationally accepted institution that is acknowledged and announced by the Board, shall be able to obtain the license corresponding to the certificate they possess upon taking and passing an “Examination on Related Professional Legislation”, the contents of which is to be specified by the Board.

b) **(Changed by the Communiqué Serial: VIII, No: 52)** Those who have experience of at least 3 years as a specialist at the Board deserve to obtain the Capital Market Activities Basic Level License, those who have at least 5 years experience deserve to obtain the Credit Rating Specialists License, the Corporate Governance Rating Specialists License and the Residential Real Estate Appraisers License, those who have at least 8 years experience deserve to obtain the Capital Market Activities Advanced Level License, the Derivative Instruments License, the Real Estate Appraisers License and the Independent Auditing in Capital Markets License without taking any examination. Those who have worked as the Head or the Member of the Board (without any lower time limit), and those who have worked at least 2 years as the Assistant Head of the Board or the Head of Department deserve to obtain all the licenses without taking any examination. Article 19 and second paragraph of Article 20 shall not be applied for those who have obtained the license under the provisions of this subparagraph.

### **Applications for the Examinations**

**ARTICLE 8- (Changed by the Communiqué Serial: VIII, No: 52)** Application procedure and the qualifications required for applicants are explained in the examination guide which is at the Internet site of the Board. Examination applications are made individually.

The applicants whose applications have been accepted shall get their examination Entrance Documents from the Internet site of the Board. The Examination Entrance Documents are not posted to the addresses of applicants.

The applicants should have the qualifications defined in the Capital Markets Law, this Communiqué and the related Communiqués of the Board at the date of application.

The persons who act against the Capital Markets Law, the regulations issued based on that Law, standards and forms, and the decisions taken by the Capital Markets Board on specific and general subjects are not admitted to the examinations even though their applications have been accepted.

### **Processing the Applications**

**ARTICLE 9- (Changed by the Communiqué Serial: VIII, No: 65)** After processing the applications, the ones who are determined as suitable candidates for the examinations shall be announced at the Internet site of the Board or the institution authorized for the implementation of the examinations at least 15 days before the examination.

## **Repudiation Circumstances**

**ARTICLE 10** - Applications may be denied in the existence of the following circumstances:

- a) **(Changed by the Communiqué Serial: VIII, No: 52)** If the applicant does not have the qualifications defined in this Communiqué, the Law and the related Communiqués and the regulations of the Board.
- b) If the information and documents to be attached to the application form are incomplete.
- c) If the information and documents submitted to the Board are incorrect or do not reflect the truth fairly.

## **Organization of the Examinations**

**ARTICLE 11-** Examinations can be organized either by the Board or any other institution authorized by the Board.

**(Changed by the Communiqué Serial: VIII, No: 52)** Details on the format of the examination, sub-subject titles of the examination, the number of questions, the grading system and similar other subjects shall be announced by the Board.

**(Changed by the Communiqué Serial: VIII, No: 52)** Examinations shall be given under the supervision and control of the persons authorized by the Board. The Board takes the necessary measures for the secure and confidential implementation of the examinations.

Examinations may be conducted through computer-based testing system and via the Internet.

**(Changed by the Communiqué Serial: VIII, No: 52)** The Related Professional Legislation Examination provisioned in the Article 7/a of this Communiqué may be held in foreign languages too.

## **Examination Subjects**

**ARTICLE 12-** Subjects of the examinations are listed below:

### **A) Subjects of the Capital Market Activities Basic Level Examination:**

- 1) General Economy,
- 2) Capital Markets Legislation, Related Legislation and Ethical Rules,
- 3) Securities and Other Capital Market Instruments,
- 4) Equity Markets,
- 5) Bonds and Bills Markets,
- 6) Other Organized Markets and Exchanges,
- 7) Related Tax Legislation,
- 8) Basic Financial Mathematics, Valuation Methods, Accounting and Financial Analysis,
- 9) Clearing and Operations.

### **B) Subjects of the Capital Market Activities Advanced Level Examination:**

- 1) General Economy and Financial System,
- 2) Capital Markets Legislation and Related Legislation, Commercial Law and Obligations Law,
- 3) Securities and Other Capital Market Instruments,

- 4) Domestic and International Markets,
- 5) Financial Management,
- 6) Analysis Methods,
- 7) Accounting, Auditing and Ethical Rules,
- 8) Related Tax Legislation.

**C) Subjects of the Derivatives Examinations:**

- 1) **(Changed by the Communiqué Serial: VIII, No: 52)** General Economy and Financial System,
- 2) **(Changed by the Communiqué Serial: VIII, No: 52)** Capital Markets Legislation and Related Legislation, Commercial Law and Obligations Law,
- 3) Securities and Other Capital Market Instruments,
- 4) Derivatives,
- 5) Operation of Futures and Options Markets,
- 6) Arbitrage and Hedging by Using Derivatives,
- 7) Accounting, Clearing and Operations,
- 8) Related Tax Regulations.

**D) (Changed First Sentence by the Communiqué Serial: VIII, No: 52) Subjects of the Real Estate Appraisers Examination:**

- 1) Fundamentals of Real Estate Appraisal,
- 2) Legislation Related to Profession and Ethical Rules,
- 3) Building and Real Estate Accounting,
- 4) Basic Financial Mathematics,
- 5) Related Tax Legislation.

**E) (Added by the Communiqué Serial: VIII, No: 46) Subjects of the Credit Rating Specialists Examination:**

- 1) General Economy and Financial System,
- 2) Capital Markets Legislation and Regulations Related to Joint Stock Companies,
- 3) Credit Rating and Finance,
- 4) Accounting and Financial Reporting.

**F) (Added by the Communiqué Serial: VIII, No: 46) Subjects of the Corporate Governance Rating Specialist Examination:**

- 1) General Economy and Financial System,
- 2) Capital Markets Legislation and Regulations Related to Joint Stock Companies,
- 3) Corporate Governance.

**G) (Added by the Communiqué Serial: VIII, No: 52) Subjects of the Residential Real Estate Appraisers Examination:**

- 1) Residential Real Estate Appraisal and Basic Finance Mathematics,
- 2) Legislation Related to Profession and Ethical Rules, Related Tax Legislation,

**H) (Added by the Communiqué Serial: VIII, No: 52) Subjects of the Independent Auditing in Capital Markets Examination:**

- 1) Financial System, Capital Markets Legislation and Related Legislation,
- 2) Accounting Standards in Capital Markets,



### 3) Independent Auditing Standards in Capital Markets,

**(Changed Second Paragraph by the Communiqué Serial: VIII, No: 52)** The examination titles listed in paragraphs (A), (B), (C), (D), (E), (F), (G) and (H), the sub-titles of those subjects and the changes made to those sub-titles are explained in the examination guide which is at the Internet site of the Board.

### **Grading**

**ARTICLE 13- (Changed by the Communiqué Serial: VIII, No: 52)** In order to be able to pass the examination, candidates are required to get at least 60 points out of 100 in each subject and the arithmetic average of individual scores must be at least 70.

**(Added Second Paragraph by the Communiqué Serial: VIII, No: 59)** The arithmetic average of the scores of the examination titles taken in order to obtain the Clearing and Operations, the Derivatives Accounting and Operations, the Basic Level Customer Representative, and the Derivatives Customer Representative Licenses must also be at least 70.

It is necessary to choose the all subjects of related examination at first time applications. If the score of any subject is below 60 and/or the arithmetic average is below 70, it is possible to choose specific subjects in subsequent examinations in order to get the required score or to raise the scores.

**(Changed Forth Paragraph by the Communiqué Serial: VIII, No: 74)** The time period between the year-end following the date at which the results of the examination that the applicant first took were announced and the year-end following the date at which the applicant has the right to get the license shall not exceed three years. If the applicants are still not able to get the license after three years since the year-end following the date at which the results of the examination that the applicants first took were announced, the scores of the examinations taken more than two years ago are erased.

If the examination is taken to get a higher score, the last score will be considered as the valid score. However, the previous scores will still be valid if it was applied for the examination but wasn't taken.

### **Invalidation of the Examinations**

**ARTICLE 14- (Changed by the Communiqué Serial: VIII, No: 52)** The examinations of the applicants are revoked if;

- a) It was understood later that the applicant made false declaration or do not satisfy the conditions for taking the examination,
- b) It was determined that the applicant cheated in the examination,
- c) The applicant dishonestly took the examination on behalf of other person, or let the other person took the examination on behalf of him or her,
- d) The applicant took the question booklet out of the examination room,
- e) The applicant didn't comply with the examination rules,
- f) **(Annulled by the Communiqué Serial: VIII, No: 74)**
- g) It was acted against the Law, the regulations issued based on the Law, standards and forms, and the decisions taken by the Board on specific and general subjects.

**(Changed by the Communiqué Serial: VIII, No: 56)** The persons whose examinations were invalidated due to the reasons explained in paragraphs (a), (b), (c) and (d) will not be accepted to any examination for 3 years. The persons whose examinations were invalidated and that will not be accepted to any examination for 3 years are notified about this

circumstance. The objection to this decision can be made in 7 days in writing to the Board after receiving that notification. The objections are examined and concluded by the Objection Committee defined in Article 16 of this Communiqué in 30 days, and the result is declared to applicant in writing by the Board.

In cases where it is realized that the questions of examinations have been acquired by the applicants beforehand, the examination(s) for related subject(s) shall be cancelled for all candidates.

### **Failing the Examination**

**ARTICLE 15- (Changed by the Communiqué Serial: VIII, No: 52)** In accordance with the provisions of Article 13 of this Communiqué, there is no limitation on the number of examinations which may be taken by the persons who have failed the examinations.

### **Objection to the Examination Results and Objection Committee**

**ARTICLE 16- (Changed by the Communiqué Serial: VIII, No: 52)** Participants to the examination can get the examination result document which contains the scores taken in the examination from the Internet site of the Board.

The announcement date of the examination results is stated on the examination entrance documents.

**(Changed Third Paragraph by the Communiqué Serial: VIII, No: 65)** The objections to the results and the questions of the examination can be made in 7 working days in writing to the Board or the authorized institution by the Board after the results and the questions are announced on the Internet. Objections shall be examined and concluded in 30 days by the Objection Committee which is composed of at least three persons chosen by the Board and the related party shall be notified of the result in writing.

## **SECTION THREE Principles on Licensing**

### **Licensing Requirement**

**ARTICLE 17-** Professionals who do not obtain licenses related to the activity areas defined in the scope of this Communiqué shall not engage in the activities that require licensing.

**(Added by the Communiqué Serial: VIII, No: 52)** Qualifications required while obtaining license are explained in the examination guide which is on the Internet site of the Board.

**(Added by the Communiqué Serial: VIII, No: 52)** The examination result documents can not be used as the licenses. The persons who passed the examinations can not work in positions which require license if they do not satisfy the conditions demanded at the stage of getting the licenses.

### **Type of Licenses**

**ARTICLE 18-** The following certificates shall be given to those who demonstrate competence in the examinations administered according to the areas in which they will work.

- a) Capital Market Activities Basic Level License
- b) Capital Market Activities Advanced Level License

- c) Derivative Instruments License
- d) Clearing and Operation Officers License
- e) **(Changed by the Communiqué Serial: VIII, No: 52)** Real Estate Appraisers License
- f) **(Added by the Communiqué Serial: VIII, No: 46)** Credit Rating Specialists License
- g) **(Added by the Communiqué Serial: VIII, No: 46)** Corporate Governance Rating Specialist License
- h) **(Added by the Communiqué Serial: VIII, No: 46)** Independent Auditing in Capital Markets License
- i) **(Added by the Communiqué Serial: VIII, No: 52)** Residential Real Estate Appraisers License
- j) **(Added by the Communiqué Serial: VIII, No: 59)** Basic Level Customer Representative License
- k) **(Added by the Communiqué Serial: VIII, No: 59)** Derivatives Customer Representative License
- l) **(Added by the Communiqué Serial: VIII, No: 59)** Derivatives Accounting and Operations License

**(Changed Second Paragraph by the Communiqué Serial: VIII, No: 59)** Those who have obtained the Capital Market Activities Advanced Level License may work on the license areas defined in paragraphs (a), (d) and (j) above, those who have obtained the Capital Market Activities Basic Level License may work on the license areas defined above in paragraph (d) and (j), those who have obtained the Derivatives License may work on the license areas defined above in paragraph (k) and (l) and those who have obtained the Real Estate Appraisers License may work on the license areas defined above in paragraph (i), without needing any further license.

### **Renewal of the License**

**ARTICLE 19- (Changed First Paragraph by the Communiqué Serial: VIII, No: 74)** The persons who have the license and work in the positions at the capital market institutions defined by the Law that require license must attend the license renewal education programmes for every four-year period, and the persons who have the license but do not work in the positions related to that license must attend the license renewal education programmes for every two-year period. The persons that do not get their licenses after two years since they have the right to get the license, must attend the renewal education programmes to be able to get their licenses.

**(Changed Second Paragraph by the Communiqué Serial: VIII, No: 74)** For calculating the date of license renewal education programme, the date at which the license is given is taken into account.

**(Changed Third Paragraph by the Communiqué Serial: VIII, No: 74)** It is required to attend the license renewal education programmes within two months following the date calculated by this way.

**(Changed Forth Paragraph by the Communiqué Serial: VIII, No: 74)** It is compulsory to apply to the Board or the institution authorized by the Board for license renewal at least two months before the end of the period determined for renewal.

There is an attendance requirement corresponding to at least %90 of the duration of

the license renewal education programmes that shall be organized in the areas subject to licensing.

### **Revocation of the Licenses**

**ARTICLE 20- (Changed First Paragraph by the Communiqué Serial: VIII, No: 52)** The principles related to revoking the licenses temporarily or permanently of people who act against the Law, the regulations issued based on the Law, standards and forms, and the decisions taken by the Capital Markets Board on specific and general subjects are determined by the Capital Markets Board.

**(Changed Second Paragraph by the Communiqué Serial: VIII, No: 52)** In accordance with the provisions of Article 19 of this Communiqué, in case of failing to renew the license or not working uninterruptedly for two years in the areas that require license, the license is suspended temporarily by the Board.

Those whose licenses have been cancelled may not work on the activities subject to the license.

**(Changed Forth Paragraph by the Communiqué Serial: VIII, No: 52)** When the license is suspended temporarily, it is possible to make it valid again by attending the renewal education programmes.

## **SECTION FOUR Principles on Registration**

### **Registration**

**ARTICLE 21- (Changed by the Communiqué Serial: VIII, No: 52)** The institutions which employ the persons specified in the article 2 of this Communiqué shall submit the employment declarations of those persons to the Board by filling the “Registration Form” and its annexes accurately and completely in 15 days from the date of service contract. Changes in the information given in the Form shall be declared to the Board within 15 days after such changes occur. Those changes declarations may be made either in writing or electronically, at the discretion of the Board.

The “Dismissal Information Form” of registered staff shall be prepared two copies and signed by both the firm and the staff dismissed, and one copy shall be submitted to the Board in 15 days from the repeal date of service contract, or from the date at which declaration has been submitted to the Turkish Employment Institution in case there isn’t a service contract. The other copy is given to the staff dismissed and that copy should be submitted when beginning a new job.

The information that shall be kept in the registration records and those who will be responsible for submitting that information to the Board shall be announced by the Board.

### **Obligation of Requesting for Registration**

**ARTICLE 22-** Institutions specified in the first paragraph of Article 21 shall request the registration information of the staff who shall be employed and who is subject to licensing from the Board prior to concluding service contracts.

### **Public Disclosure**

**ARTICLE 23- (Changed by the Communiqué Serial: VIII, No: 52)** The

information in the registration records deemed appropriate by the Board shall be made available to exchanges, other organized markets and related institutions and companies. The parts of registration records deemed by the Board to be in public interest shall be provided to requesting parties in writing or electronically.

**(Changed by the Communiqué Serial: VIII, No: 56)** For the application of this Article the related provisions of the Population Services Law, No:5490 and other legislations are reserved.

## **SECTION FIVE Other and Final Provisions**

### **License Renewal Education**

**ARTICLE 24-** The Board may either organize the license renewal education programs itself or authorize other institutions to organize.

### **Fees**

**ARTICLE 25-** Examinations, licensing, license renewal, education and registration activities determined in the scope of this Communiqué shall be provided in return for a fee.

### **Transferring Operations**

**ARTICLE 26- (Changed First Paragraph by the Communiqué Serial: VIII, No: 65)** The Board may decide to transfer to another institution the authority to organize and/or to have other institutions to organize the examinations, to grant license certificates, to organize and/or to have other institutions to organize education programmes, and to register. In such a case, the responsibilities of the Board determined in this Communiqué shall be assumed by the authorized institution and the requirements towards the Board shall be met in the same way towards the authorized institution. All the sanctions applicable for failure to meet the requirements shall be valid as specified.

In case of a transfer of operations those whose examination applications have been denied according to the Article 10 and persons whose licenses have been revoked permanently or suspended temporarily according to Article 20 of this Communiqué by the authorized institution may object to the decision at the Board within 7 working days after the notification of the decision.

**PROVISIONAL ARTICLE 1-** Following the entry into force of this Communiqué, the institutions determined in the first paragraph of Article 21 in this Communiqué shall submit the registration forms for all staff working in the areas subject to licensing within the period that shall be announced by the Board.

The provision of registration records under Article 22 shall commence on a date that shall be announced by the Board.

**PROVISIONAL ARTICLE 2- (Changed by the Communiqué Serial: VIII, No: 74)** As of the date the Communiqué Serial: VIII, No: 74 enters into force, the persons that have no license can not work in positions at capital market institutions which require a license. This condition is also valid for new employments for the positions determined in this Communiqué.

However, the persons who already work in a capital market institution and have taken

at least one of the examinations held in 2010 but could not deserve the required license, can work in their positions until the date at which the results of third examination held since the date at which this Communiqué come into force are announced, on the condition that they apply for those first three examinations since the date at which this Communiqué come into force. Those who can not have the right to get the required license at those examinations, as of the following end of the month after the results of third examination are announced; and those who do not apply for those examinations, as of the end of the month at which the time for the examination applications has ended; can not continue working in the positions that require a license. The board of directors of capital market institutions appoint those persons to other positions that do not require a license.

In the application of the time periods mentioned in this Article, the provisions in the related specific regulations of the Board are reserved.

**PROVISIONAL ARTICLE 3-** As of the date this Communiqué enters into force, those who possess the Istanbul Stock Exchange Member Representation Certificate and who meet the necessary qualifications determined in this Communiqué, the Law and other Communiqués of the Board for licensing shall be granted the Capital Market Activities Basic Level License without taking any examination.

**PROVISIONAL ARTICLE 4- (Added by the Communiqué Serial: VIII, No: 52)** As of the date this Communiqué enters into force, those who possess or have the right to get the Appraisers License shall have the rights and responsibilities emanating from the Real Estate Appraisers License.

As of the date this Communiqué enters into force, the rights of those who have the right to get the license pursuant to paragraph (b) of Article 7 are reserved.

**PROVISIONAL ARTICLE 5- (Changed by the Communiqué Serial: VIII, No: 74)** As of the date the Communiqué Serial: VIII, No: 52 comes into force, those who have worked as the general manager of intermediary institutions or portfolio management corporations at least for three years after working at least 7 years in the areas which require a license, have the right to acquire the Capital Market Activities Advanced Level License.

**PROVISIONAL ARTICLE 6- (Added by the Communiqué Serial: VIII, No: 52)** As of the date this Communiqué comes into force, those who have the right to get the Capital Market Activities Basic Level License, can work as inspector or internal control personnel in brokerage houses with that license.

**PROVISIONAL ARTICLE 7- (Annulled by the Communiqué Serial: VIII, No: 74)**

**PROVISIONAL ARTICLE 8- (Added by the Communiqué Serial: VIII, No: 74)** If the applicants who have taken the licensing examinations before the Communiqué Serial: VIII, No: 74 enters into force can not deserve a license, the scores taken for the examination titles in 2007 will be erased at the end of 2011, the scores taken for the examination titles in 2008 will be erased at the end of 2012, the scores taken for the examination titles in 2009 will be erased at the end of 2013, and the scores taken for the examination titles in 2010 will be erased at the end of 2014.

For the persons that will have the right to get a license among those applicants, if the time period between the date at which the results of the examination that the applicant first

take are announced and the date the applicant has the right to get the license is more than two years but less than four years, the applicant is required to attend the renewal education programmes organized pursuant to Article 19 of this Communiqué for getting the license.

**Entry into Force**

**ARTICLE 27-** This Communiqué shall enter into force on the date of its publication.

**Execution**

**ARTICLE 28-** The provisions of this Communiqué shall be executed by the Capital Markets Board.