

COMMUNIQUE ON PRINCIPLES REGARDING REGISTRATION OF GOLD, SILVER AND PLATINUM BONDS WITH THE BOARD

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1 – (“Communiqué Amending the Communiqué on Principles Regarding Registration of Gold, Silver and Platinum Bonds with the Board” Serial: III, No: 32 published in the Official Gazette dated 7.7.2004 numbered 25515.)

Serial : III
No : 26

SECTION ONE

PURPOSE, SCOPE, LEGAL BASIS AND DEFINITIONS

Purpose and Scope

ARTICLE 1 - The purpose of this Communiqué is to regulate principles regarding registration, issuance, public offering and sale of gold, silver and platinum bonds with the Board.

Legal Basis

ARTICLE 2 – This Communiqué has been prepared in accordance with the subparagraphs (a) and (b) of the amended Article 22 of the Capital Market Law numbered 2499.

Definitions and Abbreviations

ARTICLE 3 – In this Communiqué, the below mentioned terms have the following meanings:

Board	: Capital Markets Board,
Law	: The Capital Market Law numbered 2499,
Issue	: Sale of gold, silver and platinum bonds issued by issuers with public offering or not,
Issuer	: Banks which are a member of the Istanbul Gold Exchange,
Intermediary Institution	: Brokerage houses and banks authorized for intermediation to the public offering.
TTRG	: Turkish Trade Registry Gazette,

Exchange : Istanbul Gold Exchange,
Precious metal : Standard and substandard gold, silver and platinum defined by the Treasury,
Bond : Gold, silver and platinum bonds defined by this Communiqué.

SECTION TWO GENERAL PROVISIONS

Legal Characteristics of Bonds

ARTICLE 4 – The bonds are negotiable instruments in the characteristic of bearer or order security sold, issued by registering with the Board, in the capacity of debtor in terms of a precious metal at a certain amount according to the provisions of this Communiqué.

Compulsory Specifications Required

ARTICLE 5 – The following specifications must be included in the text of bonds.

- a) The related terms of gold bond, silver bond or platinum bond,
- b) Title and address of the issuer,
- c) Name and signatures of representatives authorized by the issuer to sign bonds to be issued,
- d) Unrestricted and unconditional payment promise of a certain amount of precious metal or equivalent of cash in maturity calculated in accordance with the principles determined in the Article 25,
- e) The qualities of precious metal,
 - a) Place of arrangement,
 - b) Date of arrangement,
 - c) Maturity,
 - d) Payment place,
 - e) Denomination and series number,
 - f) Name or title of the person who the payment will be made if the bond is to order, expression of being bearer if it is bearer.

If the bonds are written to order, it is compulsory to sign it with hand.

Bonds shall carry specifications mentioned in the first and second sub-paragraphs above according to their arrangement form; about them the provisions of this Communiqué shall be applied. If there is no provision in

this Communiqué provisions regarding negotiable instruments of the TCC shall be applied.

Maturity and Sale Principles

ARTICLE 6 –The bonds shall be sold with or without discount. If the bonds are sold in discount the discount rate shall be freely determined by the issuer.

The maturity of bonds is determined as thirty days and its multiples by the issuer on the arrangement date provided that it shall not be less than 60 days and more than 720 days.

The beginning date of maturity for sale of bonds is the first day of offer.

Periods except the whole days shall not be taken into account in calculation of sale period. If the last of the sale period is an official holiday, period ends the following working day.

The sale amount of bonds is determined by the issuer whether it is collected in terms of Turkish Lira, foreign exchange or precious metal.

Sale Period

ARTICLE 7 - The sale period of bonds is determined provided that it will not exceed $\frac{1}{4}$ of its maturity.

Registration with the Board

ARTICLE 8 - The bonds which will be issued must be registered with the Board.

The issuer planning to issue bonds in accordance to the issuance limit of bonds should apply to the Board when it deems appropriate considering itself. The bonds are issued in different denominations by taking into account differences in their sale principles.

The Board evaluates the bonds to be sold with public offering whether prospectus includes all information considered necessary and also the bonds to be sold without public offering in accordance to the principles in this Communiqué and registers the bonds.

As a result of the evaluation, if the explanations are found insufficient, not reflecting the truth fairly and causing public abuse, the Board may refrain from registration of related bonds by stating its justification.

Being registered with the Board shall not be used for advertisement purposes and does not mean that an official guarantee is given by the Board or State to the bonds issued and the related issuers.

In the prospectus, circular and all other announcements and explanations stated in the Article 6 of the Law, direct or indirect expression which can be

interpreted as an official guarantee is given by the Board or State for registration with the Board shall not be used.

The Board, in accordance with the subparagraph (b) of the Article 22 of the Law, may suspend temporarily the sale procedures of bonds registered.

Issuance Limit

ARTICLE 9 – In the issuance of bonds the limits prescribed in the Article 13 of the Law is used.

Application for Registration

ARTICLE 10 – The registration application shall be made as it will contain all the issues of bonds in a period. The sale process of bonds registered must be completed within 2 year following the date of registration with the Board.

In this period, bonds can be sold either in the form of a single series in a denomination or by dividing into series.

Application for the issuance of bonds without public offering is made separately for each denomination without depending on a certain time period.

If the sale of bonds is given up after the registration, the Board shall be informed about the situation.

Missing Documents

ARTICLE 11 - Information requested by the Board and documents attached to the application in accordance with the principles stated in this Communiqué shall be given to the Board. If missing documents are not completed within the period determined by the Board the application shall be cancelled pursuant to the Law.

The applications shall be completed within maximum 30 days. The time given for the completion of missing documents shall not be taken into account in calculating the 30 day period.

Cancellation of Unsold Bonds

ARTICLE 12 – Bonds which are not sold within the sale period shall be determined and cancelled in supervision of a notary public within six working days, at the latest, following the end of the sale period.

If bonds are issued in series the same procedure is followed at the end of their sale period.

New bonds shall not be issued without the unsold ones are cancelled by the issuer. However, it is not necessary to waited for the completion of the sale of former series and getting the result of them for beginning the sale of new

series included in a denomination, which are issued in the base of the same prospectus.

SECTION THREE

SPECIAL PROVISIONS REGARDING BONDS OFFERED TO PUBLIC

Application Petition and Its Attachments

ARTICLE 13 - Issuers shall apply with a petition supplemented by documents stated below to the Board for the registration of bonds, which will be issued to offer public:

a) A notarized sample of the authorized organ's decision regarding the issue of bonds,

b) A notarised sample of the decision of the boards of directors which determines the authorized persons to sign bonds, maturity, kind and amount of the precious metals represented,

c) Articles of Association in effect including all amendments in a single text approved by individuals authorised to represent the issuer,

d) The prospectus and circular prepared for the issuance of bonds that will be offered to public and signed by individuals authorized to represent the issuer, intermediary institution and auditing firm,

e) Specimen of the bond whose sample is given in the Appendix 1,

f) The written declaration of the issuer stating that unsold bonds will be cancelled within 6 working days following the end of the sale period,

g) The document stating that the issuer is a member of the Exchange,

h) Balance sheets and income statements approved by the general assembly for the last three years and the nearest quarterly financial statements to the application date and signed by the authorised representatives of the corporation,

i) Auditing report,

i) Notarized signature circular,

j) Documents confirming the information stated in the prospectus and circular if it is deemed necessary by the Board and other information and documents requested by the Board.

Samples of prospectus and circular are obtained from the Board.

Usage of an Intermediary Institution

ARTICLE 14 - (The first paragraph amended by the Communiqué Serial: III, No: 32) The public offering of bonds must be made via intermediary institutions.

If the intermediary institution which the agreement made is changed after the registration application for public offering of bonds, a copy of the agreement with notarised signature circular or only signature circular of related parties shall be submitted to the Board by the issuer or intermediary institution within at most one week and in any case before the sale of the related denomination or series following the date of new intermediary agreement made.

Preparation Principles of Prospectus and Circular

ARTICLE 15 - The prospectus and circular must be prepared including the necessary and detailed information required by regulations and the Board regarding the issuer, issuer's financial situation, scope and results of its operations, must be appropriate with the minimum standards determined by the Board, must include the additional information requested by the Board during the registration application and all the information and explanations must be based on documents.

Changes in the Issues Disclosed to Public with Prospectus and Circulars

ARTICLE 16 – The Board must be informed in writing about any change in the information disclosed to public through prospectus and circular which appeared prior to completion of the sales or happened in the sale period and in case of not informed can cause a loss for investors and new facts by issuers at most three working days after the occurrence and in either case before or at the sale period by stopping the sale.

Changes and new matters without the evaluation of the Board shall not be put into practice without being added by the Board to the information related to bonds registered. After the Board's amendment document is taken, the changes in the prospectus shall be registered at Trade Registry and announced in TTRG, whereas the changes in the circular shall be published in the newspapers in which the circular had been published.

Procedures to be Followed After Registration

ARTICLE 17 - After the bonds are registered with the Board, the issuer registers the prospectus approved by the Board at the Trade Registry within 15 days following the registration date and announces in TTRG.

On the back side of bonds, the registration date of the prospectus approved by the Board is written.

Pre-sale Transactions

ARTICLE 18 – The sale of bonds by public offering is made through by publishing the circular at the edition of a daily newspaper or newspapers published in Turkey circulation.

If bonds registered with the Board are offered to public in series, issuers before at least 15 days from the sale of bonds shall submit interim financial statements as of the last month, a sample of circular and bond with a copy of the report containing the changes and developments happened within the period from the registration date to the sending date of the circular in the administrative and financial position of the issuer. In the case that the intermediary institution is used the mentioned report shall be analysed by the intermediary institution related to its sufficiency whether it reflects the truth or not etc. The Board approves the circular after making the necessary evaluations. No sale transactions are started before the circular approved.

If bonds are sold in series, separate circulars related to each series must be announced for the sale of each series in accordance with the provisions of this Communiqué.

Notification of Selling Results to the Board

ARTICLE 19 - The following documents shall be submitted to the Board by the issuer or intermediary institution, if any, within 6 working days following the end of the sale period of bonds offered to public.

- a) A copy of the TTRG in which the prospectus is published and newspapers in which the circular is published,
- b) Information indicating sales results,
- c) The document indicating that the unsold bonds are cancelled in supervision of a notary public if there are bonds unsold at the end of sale period.

Announcements and Advertisements

ARTICLE 20 - Due to public offering of bonds in order to introduce the issuer and to encourage the sale, the texts of advertisements and announcements and any kind of releases to be published must not include any information other than those given in the prospectus and circular shall be included in the advertisements and announcements. The texts of advertisements and announcements shall be submitted to the Board at least 2 working days before the publication date. The Board may require amendments in the texts of announcements and advertisements if deemed necessary.

In the abovementioned texts, the places where the prospectus related to public offering may be obtained and newspapers which circular is published and their dates shall be stated.

If announcements are planned to be made through newspapers, the first advertisement and announcement must be made at the same newspapers

and dates with the circular. In this practice, advertisements and announcements shall not be published in bigger size than the circular. In following dates, by stating the publication dates of newspapers which the circular first published and with the condition that it shall not be bigger than the first advertisement and announcement size, advertisements and announcements may continue in the same newspapers. One copy of the newspapers related with shall be submitted to the Board within 6 working days following the first publication.

SECTION FOUR

SPECIAL PROVISIONS REGARDING BONDS SOLD WITHOUT PUBLIC OFFERING

Obligation to Issue as Payable to Order

ARTICLE 21 – Bonds issued to sell without public offering must be issued as payable to order.

Application Petition and Its Attachments

ARTICLE 22 – The following documents shall be added to the petition written by addressing to the Board expressing the sequence numbers with date, number and qualifications of documents given in annex and including the will to issue bonds without public offering.

- a) Registration request form drawn up in accordance with samples, which can be obtained by the Board,
- b) A notarised copy of the decision of the authorized organ related to the issue of bonds,
- c) Articles of Association in effect including all amendments in a single text approved by individuals authorised to represent the issuer,
- d) Final balance sheet and income statements approved by the general assembly for the last three years,
- e) Audit report for the last year,
- f) The document stating that the issuer is a member of the Exchange,
- g) Board of Directors' annual report related with the last balance sheet period,
- h) Specimen of the bond whose sample is given in the Appendix 2,
- i) Information about who will buy the bonds issued without public offering and agreements related to these, if any,
- i) The written declaration of the issuer stating that unsold bonds will be cancelled within 6 working days following the end of the sale period,

j) Notarised signature circular,

k) Documents confirming the information given to if it is deemed necessary by the Board and other documents requested by the Board.

Sale Period

ARTICLE 23 - The Board determines the sale period of bonds sold without public offering which is at most 7 working days following the date of registration document.

Notification of Selling Results to the Board

ARTICLE 24 - The issuer shall submit the following documents to the Board within 6 working days following the end of the sale period of bonds sold without public offering.

a) The document indicating real and legal persons who bought the bonds, the amount of bonds they bought and their capital, management and business relations with the issuer, if any,

b) The document indicating that the unsold bonds are cancelled in supervision of a notary public if there are bonds unsold at the end of sale period.

SECTION FIVE

OTHER PROVISIONS

Secondary Market Transactions and Repayment of the Amount

ARTICLE 25 – Purchase and sale of bonds in secondary market is free. Institutions which are a member of the Exchange are obliged to realize secondary transactions of these bonds in the Exchange.

For circulation of bonds written to order the “blank endorsement” on the back of it and its delivery is sufficient.

(The last paragraph amended by the Communiqué Serial: III, No: 32)
The amount written on bonds shall be paid at the places where prescribed at the end of their maturities by the issuer via an intermediary institution in Turkish Lira by taking into account the weighted price of the precious metal in the Exchange or in terms of foreign exchange on the basis of the exchange rate published by the Central Bank of the Republic of Turkey at the payment date or if its delivery is set forth during the issuance in the type of precious metal in the places determined in accordance to the principles stated in the prospectus and circular. The issuer is responsible from the payment of bonds.

Liability of Auditing and Notification

ARTICLE 26 – The Board can supervise any account and transactions of the issuers whose bonds were registered in accordance with the practise of this Communiqué.

The Board also may request any information and documents related to the bonds and supervision of the issuer's financial position from the issuer.

Issuers are obliged to submit the amount of capital payments as of monthly periods within one week following the relevant period to the Board except their notifications to the Board about the sale results of bonds.

Quality of Paper On Which Commercial Papers Printed

ARTICLE 27 – The paper which will be used in printing of bonds offered to public must have the minimum essentials of the paper which bonds can be printed in accordance with the Communiqués of the Board related to the bonds.

Fee

ARTICLE 28 – Issuers shall deposit the fee amounting to the %02 of the issue value of bonds to be sold and registered by the Board to the special account opened on behalf of the Board at Ankara Branch of the Central Bank of Republic of Turkey according to the Article 28 of the Law.

Entry Into Force

ARTICLE 29 – This Communiqué shall be effective on the date of its publication.

Execution

ARTICLE 30 – The provisions of this Communiqué shall be executed by the Capital Markets Board.

Appendix: 1

(Front Side)

Denomination : Date of Arrangement :
Series : Place of Arrangement :
Rank No : Maturity :
Qualities of Precious Metal :

..... Joint Stock Corporation

GOLD (SILVER OR PLATINUM) BONDS

Amount : kg. gold (silver or platinum)

We will pay unrestrictedly and unconditionally (to bearer) / (or to order of) only kg of gold (silver or platinum) in qualifications stated above / kg of gold (silver or platinum) equivalent cash(*) in return of this gold (silver or platinum) bond in maturity.

In case of controversy we accept the jurisdiction of the courts and the enforcement agencies of

<u>Payment Place :</u>	<u>Issuer</u> :
.....	Title :
.....	Address :
	Authorized Names :
	Authorized Signatures :

(Back Side)

INFORMATION RELATED WITH GOLD (SILVER OR PLATINIUM) BONDS

This gold (silver or platinum) bond has been issued to be sold through public offering following the registration on the date of and numbered in accordance to the Communiqué on Principles Regarding With Registration of Gold, Silver and Platinum Bonds backed by the subparagraphs (a) and (b) of the amended Article 22 of the Law numbered 2499 of the Capital Markets Board.

However, registration does not mean that the Board or State gives an official guarantee to our

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(*) The principles in the Article 25 of the Communiqué shall be applied in the calculation of the equivalent cash.

(**) If the bond is written to bearer, the endorsement part will not be given.

(***) This part is not given in the case that intermediary institution is not used.

corporation and gold (silver or platinum) bonds.

The prospectus related to the issuance of this gold (silver or platinum) bond has been registered at Trade Registry on the date of

INTERMEDIATION FOR PUBLIC OFFERING (*)**

According to the intermediation agreement dated and numbered , the sale of this gold (silver or platinum) bond exercised without charging any endorsement, assurance and guarantee sanction and liability by our institution.

(Intermediary Institution Title)

Signature

Appendix: 2

(Front Side)

Denomination : Date of Arrangement :
Series : Place of Arrangement :
Rank No : Maturity :
Qualities of Precious Metal :

..... Joint Stock Corporation

GOLD (SILVER OR PLATINUM) BONDS

Amount : kg. gold (silver or platinum)

We will pay unrestrictedly and unconditionally (..... or to order) only kg of gold (silver or platinum) in qualifications stated above / kg of gold (silver or platinum) equivalent cash⁽¹⁾ in return of this gold (silver or platinum) bond in maturity.

In case of controversy we accept the jurisdiction of the courts and the enforcement agencies of

Payment Place :
.....
Issuer :
Title :
Address :
Authorized Names :
Authorized Signatures :

⁽¹⁾ The principles in the Article 25 of the Communiqué shall be applied in the calculation of the equivalent cash.

(Reverse Side)

INFORMATION RELATED WITH GOLD (SILVER OR PLATINIUM) BONDS

This gold (silver or platinum) bond has been issued to be sold without public offering following the registration on the date of and numbered in accordance to the Communiqué on Principles Regarding With Registration of Gold, Silver and Platinum Bonds backed by the subparagraphs (a) and (b) of the amended Article 22 of the Law numbered 2499 of the Capital Markets Board.

However, registration does not mean that the Board or State gives an official guarantee to our corporation and gold (silver or platinum) bonds.

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