

**COMMUNIQUÉ****Published by the Capital Markets Board****COMMUNIQUÉ ON LEASE CERTIFICATES  
(III-61.1)****FIRST CHAPTER****Purpose, Scope, Grounds and Definitions****Purpose and Scope:**

**ARTICLE 1 – (1)** The purpose of this Communiqué is to determine the qualities of lease certificates, and to set down principles to be followed in issuance thereof, and to regulate the principles of foundation and articles of association of asset lease companies, and kinds and characteristics of assets and rights of which they may acquire, and activities, management, documentation and recording systems, and liquidation thereof.

**(2)** Lease certificates issued pursuant to article 7/A of the Law on Regulation of Public Finance and Debt Management no. 4749 dated 28/03/2002, and asset lease companies founded thereunder, are not subject to the provisions of this Communiqué.

**Grounds:**

**ARTICLE 2 – (1)** This Communiqué is prepared in reliance upon article 61 and third paragraph of article 130 of the Capital Markets Law no. 6362 dated 6/12/2012.

**Definitions and Abbreviations:**

**ARTICLE 3 – (1)** In the context of this Communiqué:

- a) **Bank:** Banks as defined in the Banking Law no. 5411 dated 19/10/2005; and
- b) **Exchange:** Systems and market places authorised in accordance with this Law and established in the form of joint stock corporations that are operated and/or managed by themselves or a market operator to ensure smooth and secure trading of capital market instruments, foreign exchange, precious metals and precious stones and other contracts, documents and assets deemed appropriate by the Board under free competition conditions and to determine and declare the prices formed, which operate on a regular basis to bring together purchase and sale orders so as to execute them or to facilitate bringing together of such orders; and

- c) **Engineering, procurement and construction (EPC) contract:** A contract whereby the contractor agrees to engineer, procure or construct a work, and the owner agrees to pay its price; and
- d) **Fund users:** Originators in issuance of ownership and management agreement-based lease certificates, or to companies in founder status buying the assets or rights sold by asset lease company on forward sale basis in issuance of trading-based lease certificates, or to venturer and to partners of joint venture other than asset lease company in issuance of partnership-based lease certificates, or to person buying the resulting work or to contractor in issuance of EPC contract-based lease certificates; and
- e) **Venturer:** A capital company or to an ordinary partnership which is founded by natural persons or legal entities possessing merchant's qualities who have come together and combined their properties pursuant to a written agreement, which is responsible for managing the joint venture; and
- f) **Rights:** All kinds of rights on the basis of which lease certificates are issued; and
- g) **Public Disclosure Platform (PDP):** An electronic system through which the information required to be made public pursuant to the applicable legislation is transmitted and disclosed to public with electronic signature; and
- h) **Law:** The Capital Markets Law no. 6362 dated 6/12/2012; and
- i) **Originator:** A capital company or to an ordinary partnership founded by natural persons or legal entities possessing a merchant's qualities in reliance upon a written agreement by coming together and combining their properties, which transfers assets and rights to an asset lease company in issuance of ownership-based lease certificates, or to companies as described in first paragraph of article 12 hereof, which manage the assets and rights in the name of an asset lease company in issuance of management agreement-based lease certificates; and
- j) **Lease certificate:** A security which is issued by an asset lease company for the purpose of financing all kinds of assets and rights, and which enables its holders to get a proportionate share from the revenues derived out of such assets and rights; and
- k) **Lease agreement:** An agreement whereby the lessor agrees to let the lessee to use or benefit from an asset or a right, while the lessee agrees to pay to the lessor the agreed upon leases; and
- l) **Founder:** Companies referred to in first paragraph of article 12; and

- m) **Board:** The Capital Markets Board; and
- n) **Liquid market:** A market where a great number of independent and real trading bids exist, and where a last sales price or a price which is reasonably associated with the current real competitive trading bids can be determined during the day, and where transactions are executed in a short period of time which conforms to the established commercial practices; and
- o) **CRA:** The Central Registry Agency Co., Inc.; and
- p) **Joint venture:** A capital company or an ordinary partnership formed under a partnership agreement, which is founded in order to realize a new project or ensure that an existing project is further developed, or ensure that an economic activity is financed; and
- q) **Partnership agreement:** An agreement whereby an asset lease company and one or more legal entities agree to combine their assets or rights in order to achieve a joint objective; and
- r) **Asset:** All kinds of assets other than rights, on the basis of which lease certificates are issued; and
- s) **Asset lease company (ALC):** A capital market institution founded in the form of a joint-stock company solely and exclusively to issue lease certificates within the frame of article 61 of the Law; and
- t) **Authorized institution:** Institution authorized by the Board to serve as an intermediary for sales of capital market instruments through public offering; and
- u) **Contractor:** A capital company or to an ordinary partnership founded by natural persons or legal entities possessing a merchant's qualities in reliance upon a written agreement by coming together and combining their properties, which is under obligation to create the works being the subject matter of EPC contract as described in the Code of Obligations no. 6098 dated 11/02/2011.

**SECOND CHAPTER**  
**Principles on Lease Certificates and**  
**on Issuance of Lease Certificates**

**Lease Certificate Types and General Principles:**

**ARTICLE 4 – (1)** Lease certificates may be issued based on

- a) ownership;
- b) management agreement;
- c) trading;
- d) partnership;
- e) EPC (engineering, procurement and construction) contract.

or through combined use of those listed above by ALCs.

(2) Applications for approval of prospectus or issue document relating to capital market instruments, which are not cited in this article but are not included in the scope of other regulations of the Board either, and are by nature accepted by the Board as a lease certificate, will also be handled and responded by application of the provisions of this Communiqué by analogy.

(3) Until redemption of lease certificates, the assets and rights included in the portfolio of an ALC cannot be disposed of for any purpose other than collateralization, even in the case of transfer of management or supervision of ALC to public authorities, and cannot be pledged, or shown as a collateral, or attached for any purpose including the collection of public receivables, or included in bankrupt's estate, or be subject to an interlocutory injunction.

(4) Holders of lease certificates are proportionately entitled to have the revenues obtained from base assets and rights for the issuance of the certificates. If required so in the issuance process, at the end of maturity the assets and rights are sold by ALC to originator or to third parties and the proceeds of sale are distributed to lease certificate holders in proportion to their shares therein.

(5) Lease certificates are redeemed within the frame of the principles set forth in the prospectus or in the case of sales without public offering, in the agreement relating thereto.

(6) The measures and actions including the sale of base assets or rights to indemnify probable losses of lease certificates holders to be taken by the board of directors of ALC in order to protect interests of investors in the case of failure of fund users or third parties in performance of their payment obligations towards ALC, are required to have been set down in agreements at the stage of issuance application made to the Board.

**Special Provisions on Ownership-Based Lease Certificates:**

**ARTICLE 5 – (1)** Ownership-based lease certificates are lease certificates issued to finance the assets and rights to be acquired by ALC from originator in order to be leased to originator or third parties or to be managed in the name of ALC.

(2) In the issues covered by this article:

- a) an agreement is required to be executed for transfer of the ownership of the base assets or rights to ALC; and
- b) if transfer of base assets and rights is subject to registration or other special formal requirements pursuant to applicable laws and regulations, all transactions required for transfer are required to be completed; and
- c) ALC is required to have a direct power of disposal on assets or rights in the case of default.

(3) The amount of issue of ownership-based lease certificates cannot exceed 90% of fair value determined in the appraisal report prepared pursuant to article 11 hereof.

(4) If the asset on the basis of which lease certificates are issued is a real property, and if requested so by the originator, the right of repurchase is required to be annotated and registered in the land registry.

(5) The assets and rights on the basis of which lease certificates are issued under this article must not have been restricted by any real or personal rights in favor of third parties to the detriment of interests of lease certificate holders, and accordingly, the assets and rights must not have been restricted by an attachment or injunction.

**Special Provisions on Management Agreement-Based Lease Certificates:**

**ARTICLE 6 – (1)** Management agreement-based lease certificates are lease certificates issued for the purpose of transfer , of revenues obtained as a result of management of assets or rights owned by the originator in favor of ALC, also including the lease of them until the end of maturity, to ALC within the frame of provisions of the management agreement

(2) In the issue of lease certificates under this article, an agreement shall be entered into by and between originator and ALC, for management of assets or rights owned by the originator in favor of ALC, without transfer of ownership thereof. Principles relating to revenues of ALC or calculation of such revenues are required to be dealt with in the agreement.

**Special Provisions on Trading-Based Lease Certificates:**

**ARTICLE 7 – (1)** Trading-based lease certificates are lease certificates issued to finance the purchase of certain assets or rights by ALC in order to be sold on deferred payment basis to companies described in the first paragraph of article 12.

(2) In the issue of trading-based lease certificates, , ALC is under obligation to purchase the base assets or rights from the spot market and to resell them on deferred payment basis at a price above their cost, by no later than the business day immediately following the date of

transfer of the funds collected from issuance to its account. If this transaction is not executed within the said period of time, the funds collected upon issue of lease certificates shall be refunded to investors by no later than the second business day following the date of transfer to the account of ALC.

(3) The assets or rights on the basis of which lease certificates are issued under this article are required to be traded in Borsa Istanbul Anonim Şirketi (Istanbul Exchange) or in other liquid markets.

**Special Provisions on Partnership-Based Lease Certificates:**

**ARTICLE 8 – (1)** Partnership-based lease certificates are lease certificates issued by ALC for the purpose of partnership in a joint venture.

(2) In the issues of partnership-based lease certificates where the joint ventures into which capital is put exclusively and solely by ALC, are financed:

- a) The joint venture is managed by venturer or by a third party appointed by venturer.
- b) The allocation ratios in the profit of joint venture among venturer and ALC, or the fixed fee to be paid to venturer under the proxy agreement shall be specified in the partnership agreement. In the issues where the joint venture is organized as a capital company, the allocation ratios in profit or the management by proxy fee shall be separately dealt with in company agreement or articles of association. However, except for probable damages and losses that may be caused by bad faith or unlawful acts of venturer, if the joint venture suffers losses, ALC shall bear losses to the extent of its capital put into the joint venture.
- c) Whether a collateral shall be requested or not from venture, for the purpose of indemnification of probable damages and losses that may be caused by bad faith or unlawful acts of venturer or of third parties appointed by venturer, and if a collateral is requested, the amount and description of the collateral shall be regulated in partnership agreement, company agreement or articles of association.

(3) In the issues of partnership-based lease certificates where the joint ventures into which cash capital is put by ALC, and capital other than personal labor or goodwill is put by other partners, are financed:

- a) The joint venture is managed by one of the partners or by a third party appointed by the partners.

- b) The allocation ratios in the profit of joint venture among ALC and other partners shall be specified in the partnership agreement. In the issues where the joint venture is organized as a capital company, the allocation ratios in profit shall be separately dealt with in company agreement or articles of association. However, except for probable damages and losses that may be caused by bad faith or unlawful acts of venturer, if the joint venture suffers losses, the partners shall incur losses in proportion to their capital shares and to the extent of capital put by them into the joint venture.
- c) Whether a collateral will be requested or not from joint venture partners other than ALC, for the purpose of indemnification of probable damages and losses that may be caused by bad faith or unlawful acts of them or of third parties appointed by them, and if a collateral is requested, the amount and description of the collateral shall be regulated in partnership agreement, company agreement or articles of association.

(4) The amount of issue of partnership-based lease certificates cannot exceed 90% of fair value determined in the appraisal report prepared pursuant to article 11 hereof.

(5) In the issues covered by this article, by appointing ALC as the representative of lease certificate holders or as the fiduciary, it is required to establish a pledge in favor of ALC on properties of the joint venture or on properties of other partners other than those put into the joint venture for the interests of lease certificate holders by the issue amount. In case the pledge is established on real properties, pursuant to article 51 of the Land Registry Bylaws published in the Official Gazette edition 21953 on 7/6/1994, the number of lease certificates shall be stated in the 'comments' column of 'pledges' section of land registry page where the real property is registered.

(6) In the issues covered by this article, if the joint venture suffers damages and losses due to bad faith or unlawful acts of venturer, or partners of joint venture other than ALC, or third parties appointed by them:

- a) first of all, the collaterals , if any, given in partnership agreement, company agreement or articles of association; and
- b) if such collaterals are not given or are insufficient to pay for the damages, the pledge established pursuant to the fifth paragraph of this article

shall be realized and turned into cash, and the proceeds thereof will be paid to lease certificate holders.

**Special Provisions on EPC (Engineering, Procurement and Construction) Contract - Based Lease Certificates:**

**ARTICLE 9 – (1)** EPC contract-based lease certificates are lease certificates issued for the purpose of creation of works pursuant to an EPC contract to which ALC is a party as work owner.

(2) In the issues covered by this article, ALC enters as the owner into the EPC contract in its own name and in the account of lease certificate holders. As part of EPC contract-based lease certificates issues, in addition to EPC contract, other agreements fit for the intended purposes, such as service contract, contracts of construction in return for flats or lands, or partnership agreement may also be signed.

(3) ALC may make the resulting works the subject matter of a sale contract either by leasing first or directly without leasing. As of the end of maturity of lease certificates, the sale price should be fully collected by ALC, and the proceeds of sale should be paid to lease certificate holders.

(4) The amount of issue of EPC contract-based lease certificates cannot exceed 90% of fair value determined in the appraisal report prepared pursuant to article 11 hereof.

(5) Where the price of work is paid in advance by ALC, the contractor is required to establish a pledge on movables or real properties or give similar other guarantees in favor of ALC in order to ensure precise and timely completion of the work...

**Issue of Lease Certificates:**

**ARTICLE 10 – (1)** Lease certificates may be issued by sales through or without public offering. Sales without public offering may be in the form of private placement or sales to qualified investors.

(2) If lease certificates are intended to be issued domestically, an application is filed to the Board with the documents listed in Exhibit 1, and if lease certificates are intended to be issued at abroad, an application is filed to the Board with the documents listed in Exhibit 2.

(3) Lease certificates to be issued may be sold in tenors up to the issue ceiling deemed fit by the Board. In public offerings to be held during the validity time of the prospectus, ALC files an application to the Board for sales of each tenor of certificates, together with the documents listed in Exhibit 3. In sales without public offering, ALC files an application to the Board for approval of tenor issue document before each sales.

(4) Lease certificates to be offered to public must be listed and traded in the exchange, and an application must be filed to the exchange for this purpose.

(5) The Board may require ALC to ensure that payment obligations relating to lease certificates are secured by a bank or a third party legal entity resident in Turkey, and that domestic sales are made only to qualified investors, or that lease certificates, ALC or fund users are rated.



**Obligation of Appraisal on Assets and Rights:**

**ARTICLE 11 – (1)** In order to determine fair value of the assets and rights being the subject matter of the following transactions, an appraisal report is required to be prepared by appraisal companies pursuant to the relevant regulations of the Board:

- a) In the issues of ownership-based lease certificates, when the assets or rights are transferred to ALC, and when they are retransferred from ALC to originator or to third parties.
- b) In the issues of partnership-based lease certificates:
  - 1) At the stage of determination of project value being the subject of joint venture; and
  - 2) If and when partners of joint venture other than ALC, put assets or rights, other than cash, into joint venture.
- c) In the issues of EPC contract-based lease certificates:
  - 1) In the process of determining the price of the work and
  - 2) Prior to the time that sales contract of the work is settled.

(2) Appraisals covered by this article are required to be determined within the frame of the international appraisal standards and in accordance with the relevant regulations of the Board.

**THIRD CHAPTER**  
**Principles on Asset Lease Companies**

**Principles on Foundation and Articles of Association of ALCs:**

**ARTICLE 12 – (1)** ALCs may be founded by:

- a) banks;
- b) intermediary institutions which operates in any one of portfolio brokerage, general custody services or underwriting activities;
- c) mortgage finance institutions;
- d) real estate investment companies listed in the exchange;
- e) public corporations included in first and second groups determined within the frame of Board's corporate governance regulations;
- f) companies which are granted a long-term investment grade rating upon demand in the currency which the issue is denominated ; and
- g) companies of which 51% or more of capital shares are held directly by the Undersecretariat of Treasury.

However, founders listed in sub-paragraphs (d), (e), (f) and (g) of this first paragraph may found an ALC only for issues of lease certificates where they are the fund user. This is specifically stated in the ALC's articles of association.

(2) It is required to receive prior consent of the Board for articles of association of ALC. For foundation of an ALC, an application is filed to the Board with the documents listed in Exhibit 4.

(3)

- a) ALC's becoming a party to merger and split-up transactions, and amendments to its articles of association; and
- b) a person's becoming a shareholder of ALC by directly or indirectly acquiring shares representing 10% or more of the capital of ALC, or share acquisitions as a result of which a shareholder's shares exceed 10%, 20%, 33% or 50% of capital of ALC, or share transfers as a result of which a shareholder's shares fall below these thresholds; and
- c) transfer of shares giving managerial or voting privileges, regardless of the share ratio thereof,

are subject to a prior consent of the Board.

(4) Transfer of shares by a person which directly or indirectly does not reach or remains between the rates of capital of ALC, as specified in third paragraph hereinabove, will be reported to the Board within 15 days following the date of transfer.

(5) ALC may not engage in any commercial activities other than those specifically listed in its articles of association approved by the Board, and may not encumber its assets and rights by any real right or pledge established in favor of third parties except for those specifically permitted by its articles of association, and may not dispose of these assets and rights to the detriment of interests of lease certificate holders. Furthermore, ALC may, under any name whatsoever, not borrow credits or loans, and not use its assets and rights for any purpose other than performance of operations listed in its articles of association.

(6) An ALC which has not filed an issuance application to the Board within one year following the date of approval of its articles of association, is required to file an issuance application, or change its fields of business, or decide to be dissolved and start liquidation proceedings, within one month following the end of the said period of one year.

**ALC's Management and Documentation and Recording Systems:**

**ARTICLE 13 – (1)** The assets and rights on the basis of which each tenor of lease certificates is issued, and the revenues obtained and the costs incurred thereof, are separately monitored on the accounting records of ALC on the basis of the relevant lease certificates.

(2) Assets, rights and liabilities included in the financial position statement of ALC are grouped under the relevant rank of lease certificates, and are sequenced according to the liquidity principle, and are reported with the tenor of lease certificates with the closest redemption date being at the top. In the comprehensive income statement of ALC, income and expenses of each tenor of lease certificates are reported in a separate group.

(3) In order to issue lease certificates and to realize base transactions of issue, ALC should enter into the required agreements with fund users.

(4) ALC board of directors consists of minimum three members. At least one member of the board of directors is required to be an independent member satisfying the qualifications specified in Board's corporate governance regulations.

(5) ALC directors:

- a) must be university graduates, and have a minimum 5 years' past experience in capital markets or banking, and have the reputation of being an ALC director; and
- b) at least one of them must hold a Capital Market Activities Advanced Level License Certificate within the frame of the regulations of the Board pertaining to licensing; and

- c) they or the corporations where they stand as a shareholder with unlimited liability must not have been adjudged bankrupt and must not have entered into composition with their creditors.

(6) If and when fund user and ALC founder are the same person in the case of issue of lease certificates, the material base transactions thereof, including, but not limited to, sales of assets and rights, or realization of assets and rights pledged in favor of lease certificate holders, may be executed only if and to the extent the independent director or directors have affirmed the decision relating thereto. The responsibility of such decisions is borne by ALC board of directors.

(7) ALC board of directors is responsible for making collections from assets and rights, and for payment of these revenues to lease certificate holders in proportion to their shares.

(8) ALC may only make expenditures required to be incurred for issue of lease certificates, and performance of base transactions of issue, and continuity of its activities and operations pursuant to the applicable laws. Accordingly, ALC cannot incur expenditures in conflict with arm's length principle. The responsibility of expenditures is borne by ALC board of directors.

**Liquidation of ALC and Measures Applicable by the Board About ALC:**

**ARTICLE 14 – (1)** The Board is authorized to take all kinds of actions and measures as listed in articles 96, 97 and 98 of the Law if and when:

- a) Unlawful activities or transactions of ALC are determined; or
- b) a deterioration of financial situation of ALC is determined through financial statements made public; and
- c) ALC is decided to be adjudged bankrupt or to be gradually liquidated.

If ALC is decided to be gradually liquidated, the law provisions pertaining to gradual liquidation of investment companies are applicable on ALC by analogy.

(2) ALC cannot be optionally liquidated unless and until the assets and rights of issue of each rank of lease certificates are, if needed, sold, and the proceeds of sale thereof are paid to lease certificate holders. ALC board of directors is responsible for application of this provision.

(3) Holders of lease certificates issued domestically, and monetary values represented by these lease certificates are determined on the basis of the records kept in CRA as of the starting date of liquidation of ALC.

## **FOURTH CHAPTER**

### **Final and Temporary Provisions**

#### **Investor Report:**

**ARTICLE 15 – (1)** An investor report containing the revenues accrued for base assets and rights of issuance, and the collections made from these assets and rights, and the payments effected to holders of lease certificates, is prepared by ALC board of directors on quarterly accounting periods basis until the subject lease certificates are redeemed. Said report is required to be published in PDP in the case of issues through public offering, or be delivered to the Board and the lease certificate holders in the case of issues without public offering, within 5 business days following the end of the relevant accounting period.

#### **Other Matters:**

**ARTICLE 16 – (1)** Contents, preparation, approval, publishing, registration and announcement of prospectus, issue document and other issue-related documents, and financial statements to be included in prospectus, and amendments to prospectus, and advertisements and promotions to be made by ALC as the issuer, and principles of issue and sales of lease certificates, and financial reporting, independent audit and public disclosure obligations of ALC as the issuer, and other matters not included in this Communiqué shall be subject to the relevant regulations of the Board pertaining thereto.

(2) The term “lease certificate” or equivalent terms and expressions cannot be used for capital market instruments not issued under this Communiqué, and the term “asset lease company” or equivalent terms and expressions cannot be used for legal entities not founded to issue lease certificates.

#### **Dematerialized Issue of Lease Certificates:**

**ARTICLE 17 – (1)** Lease certificates to be issued by ALC domestically are required to be issued on dematerialization basis via CRA in electronic media, and the rights relating thereto are required to be followed up on the basis of beneficiaries.

(2) Lease certificates to be issued by ALC at abroad are required to be issued on dematerialization basis via CRA in electronic media, and the rights relating thereto are required to be followed up. Lease certificates to be issued at abroad may be collectively held without opening of an account in CRA in the name of beneficiary, depending on the kind of issuer or CRA member.

(3) The Board may, upon demand of issuer, grant an exemption to the obligation of dematerialized issue via CRA of the lease certificates to be issued at abroad.

(4) In the event that lease certificates are not issued on dematerialization basis via CRA pursuant to the third paragraph, with regard to the lease certificates to be issued at abroad, information relating to amount of issue, date of issue, ISIN code, maturity starting date,

maturity, rate of yield or profit share, custodian, currency of issue, and country will be reported to CRA within 3 business days following the date of issue. In the case of a change in such information reported to CRA, CRA will be informed about such change within 3 business days following the date of change.

**Board Audit:ARTICLE 18 – (1)** All activities and transactions of ALC and fund users are subject to the Board audit, without prejudice to the provisions of banking laws and regulations. The Board may request all kinds of information and documents from these persons and entities.

**Board Fee:**

**ARTICLE 19 – (1)** The fees payable to the Board will be calculated over the following rates over the issue value, not being less than nominal value, if any, of lease certificates to be sold:

- a) 2.5 per ten thousands for lease certificates with a maturity of up to 180 days; and
- b) 3.5 per ten thousands for lease certificates with a maturity between 181 days and 364 days; and
- c) 5 per ten thousands for lease certificates with a maturity between 365 days and 730 days; and
- d) 1 per thousand for lease certificates with a maturity of more than 730 days.

(2) In calculation of fees, one year is taken and calculated as 365 days.

**Repealed Communiqués:**

**ARTICLE 20 – (1)** The Board's Communiqué on Principles of Lease Certificates and Asset Lease Companies (Serial III, No. 43) promulgated in the Official Gazette edition 27539 on 1/4/2010, and Communiqué on Principles of Quotation and Listing of Profit and Loss Partnership Certificates (Serial III, No. 27) promulgated in the Official Gazette edition 25054 on 20/3/2003 are hereby repealed and superseded. Accordingly, all references made to the Communiqué on Principles of Lease Certificates and Asset Lease Companies (Serial III, No. 43) and to the Communiqué on Principles of Quotation and Listing of Profit and Loss Partnership Certificates (Serial III, No. 27) in other regulations of the Board will be deemed to have been made to this Communiqué.

**Finalization of Current Applications:**

**TEMPORARY ARTICLE 1 – (1)** Applications not decided yet by the Board as of the effective date of this Communiqué will be finalized and responded according to the provisions of this Communiqué.

**Adaptation of Existing ALCs:**

**TEMPORARY ARTICLE 2 – (1)** ALCs which have been founded within the frame of the Board's Communiqué on Principles of Lease Certificates and Asset Lease Companies (Serial III, No. 43):

- a) cannot effect a new issue unless and until they adapt their shareholding structure, composition of board of directors, and articles of association to the provisions of this Communiqué; and
- b) an ALC which has not filed an issuance application to the Board within one year following the date of approval of its articles of association, is required to file an issuance application , or change its fields of business, or decide to be dissolved and start liquidation proceedings, within three months following the effective date of this Communiqué.

**Obligation of Reporting to CRA:**

**TEMPORARY ARTICLE 3 – (1)** With respect to its lease certificates issued at abroad and currently in circulation pursuant to the fourth paragraph of article 17 hereof, ALC is required to give information to CRA within one month following the effective date of this Communiqué.

**Effective Date:**

**ARTICLE 21 – (1)** Sub-paragraph (b) of fifth paragraph of article 13 of this Communiqué will become effective one year after the date of publication, while other provisions will become effective as of the date of publication.

**Enforcement:**

**ARTICLE 22 – (1)** The provisions of this Communiqué will be enforced by the Capital Markets Board.

Please click for its annexes.

**ANNEX 1****DOCUMENTS AND SUBMITTALS REQUIRED FOR APPROVAL OF PROSPECTUSES OR ISSUE DOCUMENTS OF LEASE CERTIFICATES TO BE ISSUED DOMESTICALLY<sup>(\*)</sup>**

- (1) Introductory information about ALC and fund users; and
- (2) ALC's articles of association duly signed by authorized signatories of ALC, made a single text containing all current and applicable amendments; and
- (3) A notary-certified copy of the decision of issue taken by authorized organs of ALC and fund users; and
- (4) As for the fund users which are subject to supervision and audit of another public institution pursuant to their special laws and regulations, a letter of opinions received from the relevant public authority prior to the application to be filed to the Board for approval, stating whether there is any impediment of issue or not, and/or if a decision or approval of other authorities is required to be taken for issue of lease certificates as per the relevant applicable laws, a certificate relating to such decision or approval, and if not required, a statement relating thereto; and
- (5) A financial advisor report determining that ALC's capital is paid up, and a copy of the Turkish Trade Registry Gazette edition verifying that the capital is registered; and
- (6) A letter to be addressed to the Board and ALC in the case of guarantees given for payment obligations of lease certificates, and a notary-certified copy of the relevant decision of authorized body of the guarantor legal entity; and
- (7) Underwriting agreement for the issues through public offering; and
- (8) Recently issued statements received from directors and authorized management staff of fund users for the issues through public offering, stating whether the relevant persons have been sentenced to imprisonment for five years or more due to a crime committed maliciously, and have been prosecuted for or convicted of crimes of embezzlement, extortion, bribery, theft, swindling, fraud, abuse of trust, fraudulent bankruptcy, bid rigging, destruction or alteration of data, abuse of debit or credit cards, smuggling, tax evasion or unjust acquisition of properties, or have been a party to legal disputes and conflicts relating to partnership works, and/or have been subject to a finalized court judgment or verdict, even if the periods referred to in the applicable capital markets



laws, and the Banking Law no. 5411 dated 19/10/2005, and article 53 of the Turkish Criminal Code no. 5237 dated 26/09/2004 have elapsed; and

- (9) Justification of issue of lease certificates, and place of use of the issue funds by ALC and fund users; and
- (10) A copy of agreements with respect to the issue of lease certificates; and
- (11) Financial statements and independent audit reports, to be included in the prospectus prepared pursuant to the relevant regulations of the Board, of fund users for the issues through public offering, and of ALC if the issue has already been realized before the application; and
- (12) Financial statements of the last two years and financial statements of the interim period closest to the date of application, prepared pursuant to the relevant regulations of the Board, of fund users for the issues without public offering, and of ALC if the issue has already been realized before the application; and
- (13) Prospectus prepared within the frame of the Board regulations for the issues through public offering; and
- (14) Issue document prepared within the frame of the Board regulations for the issues without public offering; and
- (15) Rating report issued for ALC, fund user or to-be-issued lease certificates and information about rating scale of the rating agency, if existing as of the date of application; and
- (16) Legal opinions issued by lawyers who have been involved in the said issue of lease certificates or in preparation of similar capital market instruments, verifying whether the issue of lease certificates and the base transactions of issue bear legal risks or not, and information and documents proving that such lawyers satisfy the experience condition specified in this article; and
- (17) Detailed information about assets or rights to be owned, and transactions to be entered into, by ALC in the issues without public offering; and
- (18) Appraisal reports issued in accordance with the relevant regulations of the Board with respect to assets and rights contemplated to be appraised in this Communiqué; and
- (19) In the issues of partnership-based lease certificates, feasibility reports and detailed business plans relating to joint venture; and

- (20) In the issues of trading-based lease certificates, information about the assets or rights to be purchased by ALC in spot market, and currencies and unit prices of these assets or rights as of the date of application; and
- (21) In the issues of EPC contract-based lease certificates, feasibility reports and detailed business plans relating to the works to be constructed, and information and documents evidencing the past experience of contractor; and
- (22) Notary-certified signature circulars of ALC and fund user; and
- (23) A letter sent to the Board by the Bank where a special account is opened for deposit of funds of lease certificates; and
- (24) Detailed information about methods and assumptions used in pricing of lease certificates; and
- (25) Information (amount of issue, redeemed amounts, date of issue, maturity) about the issues, if any, previously completed by ALC; and
- (26) Other information and documents that may be requested by the Board.

**ANNEX 2****DOCUMENTS AND SUBMITTALS REQUIRED FOR APPROVAL OF  
ISSUE DOCUMENTS OF LEASE CERTIFICATES TO BE ISSUED AT ABROAD<sup>(\*)</sup>**

- (1) Introductory information about ALC and fund users; and
- (2) ALC's articles of association duly signed by authorized signatories of ALC, made a single text containing all current and applicable amendments; and
- (3) Financial statements of the last two years and financial statements of the interim period closest to the date of application, prepared pursuant to the relevant regulations of the Board, of fund users, and of ALC if the issue has already been realized before the application; and
- (4) As for the fund users which are subject to supervision and audit of another public institution pursuant to their special laws and regulations, a letter of opinions received from the relevant public authority prior to the application to be filed to the Board for approval, stating whether there is any impediment of issue or not, and/or if a decision or approval of other authorities is required to be taken for issue of lease certificates as per the relevant applicable laws, a certificate relating to such decision or approval, and if not required, a statement relating thereto; and
- (5) A financial advisor report determining that ALC's capital is paid up, and a copy of the Turkish Trade Registry Gazette edition verifying that the capital is registered; and
- (6) A notary-certified copy of the decision of issue taken by authorized organs of ALC and fund users; and
- (7) Issue document prepared in accordance with the Board regulations; and
- (8) A copy of agreements with respect to the issue of lease certificates; and
- (9) Information about sales, and if any, guarantee principles of lease certificates; and
- (10) Legal opinions issued by lawyers who have been involved in the said issue of lease certificates or in preparation of similar capital market instruments, verifying whether the issue of lease certificates and the base transactions of issue bear legal risks or not, and information and documents proving that such lawyers satisfy the experience condition specified in this article; and

- (11)** Rating report issued for ALC, fund user or to-be-issued lease certificates and information about rating scale of the rating agency, if existing as of the date of application; and
- (12)** Detailed information about assets or rights to be owned, and transactions to be entered into, by ALC; and
- (13)** Justification of issue of lease certificates, and place of use of the issue funds by ALC and fund users; and
- (14)** Information (amount of issue, redeemed amounts, date of issue, maturity) about the issues, if any, previously completed by ALC; and
- (15)** Notary-certified signature circulars of ALC and fund user; and
- (16)** If deemed necessary by the Board, documents confirming the information submitted, and other documents that may be requested by the Board.

**ANNEX 3****INFORMATION AND DOCUMENTS TO BE SENT TO THE BOARD  
BEFORE EACH ISSUE DURING VALIDITY TIME OF PROSPECTUS<sup>(\*)</sup>**

- (1) Final terms or securities note and summary prepared within the frame of the Board regulations; and
- (2) If any amendment is required in the registration document or in the base prospectus, the texts of such amendments, and if an amendment is not required, a statement to be given by ALC in connection therewith; and
- (3) A copy of public offering underwriting agreement signed with the authorized institution appointed for issuance (If the underwriting agreement previously submitted to the Board is currently valid, and no amendment has been made in that agreement, it does not need to be sent again. In this case, a statement of ALC suffices.); and
- (4) If deemed necessary by the Board, documents confirming the information submitted, and other documents that may be requested by the Board.

**ANNEX 4****INFORMATION AND DOCUMENTS REQUIRED FOR  
ALC FOUNDATION APPLICATION<sup>(\*)</sup>**

- (1) Introductory information about founder; and
- (2) ALC's draft articles of association and other foundation documents prepared in accordance with the Board's standards; and
- (3) If needed pursuant to this Communiqué, a rating report issued for the founder, containing a rating corresponding to investable level, and information about rating scale of the rating agency; and
- (4) Information about ALCs, if any, founded by the founder; and
- (5) Decision of authorized body of the founder pertaining to foundation of ALC; and
- (6) The founder's financial statements of the last two years and financial statements of the interim period closest to the date of application, prepared pursuant to the relevant regulations of the Board; and
- (7) Information about shareholding structure and about directors to be appointed for the ALC to be founded, and statements verifying that such directors satisfy the conditions and qualifications contemplated in this Communiqué; and
- (8) As for the founders which are subject to supervision and audit of another public institution pursuant to their special laws and regulations, a letter of opinions received from the relevant public authority prior to the application to be filed to the Board for approval, stating whether there is any impediment of foundation of ALC or not, and/or if a decision or approval of other authorities is required to be taken for foundation of ALC as per the relevant applicable laws, a certificate relating to such decision or approval, and if not required, a statement relating thereto; and
- (9) Recently issued statements received from directors and authorized management staff of ALC, stating whether the relevant persons have been sentenced to imprisonment for five years or more due to a crime committed maliciously, and have been prosecuted for or convicted of crimes of embezzlement, extortion, bribery, theft, swindling, fraud, abuse of trust, fraudulent bankruptcy, bid rigging, destruction or alteration of data, abuse of debit or credit cards, smuggling, tax evasion or unjust acquisition of properties, or have been a party to legal disputes and conflicts relating to partnership works, and/or have been subject to a finalized court judgment or verdict, even if the periods referred to in the applicable capital markets laws, and the Banking Law no. 5411 dated 19/10/2005,

and article 53 of the Turkish Criminal Code no. 5237 dated 26/09/2004 have elapsed;  
and

- (10) Notary-certified signature circulars of founder; and
- (11) Other information and documents that may be requested by the Board.

(\* ) If the information and documents listed in Exhibit 1, Exhibit 2, Exhibit 3 and Exhibit 4 have already been published in PDP, and it is stated by ALC and fund users that such information and documents are current, they will not be needed to be sent separately to the Board.