

COMMUNIQUE ON THE PRINCIPLES REGARDING THE ANNOUNCEMENT AND ADVERTISEMENTS OF THE CORPORATIONS OFFERING THEIR SECURITIES TO THE PUBLIC AND THE INSTITUTIONS DEALING IN SECURITIES

(Published in the Official Gazette dated 27 December 1985 No: 18971)

SERIAL : VIII
NO : 11

This communiqué is promulgated in order to regulate the principles concerning the announcement and advertisements about the trade and activities of the institutions covered by this communiqué regarding the capital market and stock exchange regulations on the basis of the competence granted to Capital Markets Board by Capital Markets Law Article 1 and The Regulation on the Foundation and Working Principles of Stock Exchanges Article 2 given to the Board, to provide the safe and stable transaction of the securities and to protect the rights and benefits of the investors.

Definitions

Law : Capital Markets Board Law No: 2499

Board : Capital Markets Board

Announcement and

Advertisement : All types of written, oral or image disclosure, advertisement, announcement and publications made or have it made, concerning the issue and sales of securities or publicity of corporation and institutions appearing in all kinds of documents, media, publicly distributed brochures and handouts excluding the announcements which are subject to a special regulation due to the capital market legislation.

Scope

ARTICLE 1 – Announcement and advertisements of the following natural and legal persons shall be subject to the provisions of this communiqué;

- a) The ones who offer or issue the securities and negotiable instruments listed in the Law Article No: 3 subparagraph (b) and the communiqué of the Board Serial: V No: 1 Article No: 3 by the permission of the Board,
- b) The brokerage houses, banks and other capital market institutions engaging in the activities determined by Section (V), of the Law
- c) The members of stock exchanges other than the ones in subparagraph (b) of this communiqué.

The Conditions of Independent Announcement

ARTICLE 2 – The natural and legal persons within the scope of this communiqué may make announcements and give advertisements without informing or getting permission from the Board by applying the principles of announcement and advertisement in the following article No: 3 on condition that they are not in breach of the restriction, ban and regulations on announcement and advertisements determined by the authorized public institutions.

The Principles of Announcements and Advertisements

ARTICLE 3 – The announcements and advertisements texts are required to have the following qualifications;

- a) Should be solemn in the way the business requires
- b) Should not cause excess expenditure
- c) Should not have exaggerated, emotional, unreal, deceptive and incorrect phrases, images and information elements, exploiting lack of information and experience of the public and should aim to divert the public to correct public disclosure,
- d) Should state the real qualifications of the securities offered and services rendered to the public, the price, return and fees and information concerning the sales' conditions of the securities without leading to any misunderstanding,
- e) The business and services of whom the announcements and advertisements are related to the person should be realistic,
- f) The announcement and advertisements concerning the sales of securities by issued to public should not include any information other than the information stated in the prospectus and circular and should not mislead public,
- g) Nominal and issued capital and the business address and telephone number of the advertising corporation should appear in written announcements.

Explanations

ARTICLE 4 – In this communiqué the intension of deception, misleading and exaggeration means to give promise and guarantee which the legislation does not permit, to give information not depending on objective criteria or to give false information, to hide the information required to be disclosed in order to

take a rational decision, to use unreal expressions about the productivity, profitability, financial position of a corporation or institution or about the factors that may affect the value of a security and types of writing, pictures, images and others that give the same impression.

Responsibility

ARTICLE 5 – The natural or legal persons who give or have the announcement or advertisement given have penal liability; besides this the Board may cease or abandon the announcement or advertisement to ensure the secure trading of securities and the stability and protection of the right and benefits of the investors on condition that the text of announcement and advertisement are not in compliance with the required principles.

In the primary market; brokerage houses, undertaking public offering of securities are held liable for the announcement and advertisements made by them concerning these activities.

Repealed Provisions

ARTICLE 6 – The Communiqué of the Board Serial: V No: 2 published in the Official Gazette dated 1 June 983 No: 18064 and the Communiqué of the Board Serial: V No: 3 published in the Official Gazette dated 22 July 1983 No: 18112 are overruled.

Validity

ARTICLE 7 – This communiqué enters into effect on the day of its publication.