TAKASBANK-İSTANBUL TAKAS VE SAKLAMA BANKASI A.Ş.

TURKEY ELECTRONIC FUND TRADING PLATFORM IMPLEMENTING PRINCIPLES

CHAPTER ONE

Purpose, Scope, Basis, Definitions and Abbreviations

ARTICLE 1- Purpose and Scope

(1) The subject matter of this Implementing Principles is to stipulate the principles and procedures for the transactions to be conducted in Turkey Electronic Fund Trading Platform. Its purpose, on the other hand, is to define the membership, operating, default and commission principles of Turkey Electronic Fund Trading Platform as well as those for the trading of fund shares by the Platform members in the electronic environment, their custody, and the clearing and settlement of the transactions.

ARTICLE 2- Basis

(1) Turkey Electronic Fund Trading Platform Implementing Principles have been prepared based on the seventh paragraph of article 15 of the Communique No. III-52.1 on Principles of Investment Funds.

ARTICLE 3- Definitions and abbreviations

(1) The following terms used in this Implementing Principles shall have the following meanings;

1) **Exchange**: Borsa İstanbul A.Ş.,
2) **GDDS**: Government Domestic Debt Securities,
3) **Pension Investment Fund**: The assets established for the purposes of diversifying the risk and managing in accordance with the fiduciary ownership principles of the contributions received by the pension company pursuant to the pension agreement and monitored in the private pension accounts on behalf of the participants,
4) **EUR**: The currency of European Union,
5) **Fund:** The investment fund whose participation shares are issued under an umbrella fund,
6) **Fund Share:** The Fund Participation Share.
7) **Fund Distribution Institution ("FDI"):** The investment institution and portfolio management company intermediating to the fund share trading transaction in Turkey Electronic Fund Trading Platform.
8) **Lease Certificates:** TRY payable lease certificates issued by the Undersecretariat of Treasury Asset Leasing Company,
9) **Founder:** The Portfolio Management Companies,
10) **Board:** Sermaye Piyasası Kurulu,
11) **MKK:** Merkezi Kayıt Kuruluşu A. Ş.,
12) **Qualified Investor:** Refers to a qualified investor defined in the relevant regulations of the Board,

Istanbul Settlement and Custody Bank Inc
Reşitpaşa Mahallesi, Borsa İstanbul Caddesi, No: 4 Sarıyer 34467 İstanbul
T +90 212 315 25 25 F +90 212 315 25 26 Ticaret Sicil No: 276870
takasbank.haberlesme@hs03.kep.tr Mersis No: 0281007200300015
www.takasbank.com.tr

Gizlilik Sınıfı: Halka Açık (Tasnif Dışı)

13) **Operator Member:** An institution authorized by and trading on behalf of the founder in Takasbank system,

14) **Platform, TEFAS:** Turkey Electronic Fund Trading Platform,

15) **Portfolio custodian:** Takasbank and the banks and brokerage houses authorized by the Board to provide portfolio custody service,

16) **Custodian Member:** The institution which has signed a custody agreement with the Portfolio Management Company to provide custody service to the customers of such portfolio management company, and which has been authorized by the Board to engage in custody activities,

17) **Bank: Takasbank-** İstanbul Takas ve Saklama Bankası A.Ş.,

18) **CBRT:** Türkiye Cumhuriyet Merkez Bankası,

19) **Implementing Principles:** Turkey Electronic Fund Trading Platform Implementing Principles,

20) **USD:** The currency of United States of America,

21) **Member:** The fund founders, investment institutions and portfolio management companies which have signed a Turkey Electronic Fund Trading Platform Agreement and have been authorized to trade in the Platform,

22) **ABS:** Asset Backed Securities,

23) **Foreign Currency:** The foreign currencies announced by the CBRT daily exchange rates,

CHAPTER TWO

Membership and Authorizations

ARTICLE 4- Institutions eligible to trade

(1) The fund founders, and the investment institutions who have received a license from the Board to engage in portfolio or trading brokerage activities and the portfolio management companies who have received a license from the Board to engage in fund share marketing and distribution activities are eligible to trade in the Platform. The members intending to trade as fund founder must sign the "Turkey Electronic Fund Trading Platform Founder Agreement", and those intending to trade as distributor must sign the "Turkey Electronic Fund Trading Platform Distribution Agreement".

(2) Operations of the Platform members can be temporarily or permanently suspended by Takasbank in case of any situation referred to in article 10 of the Implementing Principles.

ARTICLE 5- Application procedure

(1) The institutions intending to trade in the Platform must convey to Takasbank the agreement(s) referred to in article 4 and signed by the company representatives with authorization in the signature circular of the relevant institution, by enclosing such agreement(s) to an application letter addressed to Takasbank.

Istanbul Settlement and Custody Bank Inc
Reşitpaşa Mahallesi, Borsa İstanbul Caddesi, No: 4 Sarıyer 34467 İstanbul
T +90 212 315 25 25 F +90 212 315 25 26 Ticaret Sicil No: 276870
takasbank.haberlesme@hs03.kep.tr Mersis No: 0281007292000015
www.takasbank.com.tr

Gizlilik Seviyesi: Halka Açık (Tasnif Dışı)

ARTICLE 6- Funds to be traded in the Platform

(1) Except for the funds on which trading obligation has been imposed by the Board, the money market funds, money market participation funds, short-term bonds and bills funds, hedge funds and short-term lease certificates participation funds requested to be traded in the Platform by the Founder may also be accepted to the system.

(2) Should the activities of the Founder be suspended, whether or not the funds are continued to be traded in the Platform shall be determined by Takasbank on the basis of the fundamentals in the relevant decision made for the suspension of activities.

ARTICLE 7- Authorization for use of Takasbank screens

(1) The Fund Founder and the FDIs must authorize their representatives who will trade in the Platform, in accordance with the principles and procedures stipulated by Takasbank. Revocation of given authorizations is also under the responsibility of the Platform members.

(2) The relevant Fund Founder/FDI is responsible for all transactions to be conducted by the representatives in the Platform by using their passwords allocated to them by Takasbank.

ARTICLE 8- Authorization for use of web service

(1) The authorization for the transactions conducted by the Platform member institution through the web service is made on the basis of the corporate user and the passwords. The use of this software is dependent on the Platform member's own choice and is under its own responsibility.

(2) For the transactions incoming through the web service, Takasbank checks only the correctness of the corporate user and password.

ARTICLE 9- Authorization of the operator member and the responsibilities

(1) All transactions and operations of the fund traded in the Platform must be performed by the Founder. On the other hand, the Founder may designate an "Operator Member" to perform these transactions and operations. The fund operator member being designated in Takasbank Custody System for each fund defined for trading in the Platform is also recognized as the Operator Member for the Platform. The Operator Member can be changed by the Founder any time it wishes. However, the institution to be authorized as Operator Member by the Founder must be a Platform member. The Founder intending to perform all Platform operations personally must revise the Operator Member definition automatically assigned in the system. Such revision shall be effective from the next business day.

(2) Should an Operator Member be designated, all operations required to be performed by the Founder shall be carried out by the Operator Member and all liability arising from the transactions conducted by the Operator Member shall also jointly and severally belong to the Founder.

(3) For each fund being traded in the Platform, only one Operator Member can be authorized.

ARTICLE 10- Situations not eligible for trading

(1) The members cannot trade in the Platform;

Istanbul Settlement and Custody Bank Inc
Reşitpaşa Mahallesi, Borsa İstanbul Caddesi, No: 4 Sarıyer 34467 İstanbul
T +90 212 315 25 25 F +90 212 315 25 26 Ticaret Sicil No: 276870
takasbank.haberlesme@hs03.kep.tr Mersis No: 0281000290100015
www.takasbank.com.tr

Gizlilik Seviyesi: Halka Açık (Tasnif Dışı)

a) If their activities are temporarily or permanently suspended by the Board; within the time period to be elapsed until delivery to Takasbank of the Board decision regarding that they can re-commence their activities.

b) For a period of 5 business days if the institution trading in the Platform fails to close its debts 3 times in a period of 1 month to other members and Takasbank within the time periods set forth in the Implementing Principles.

In determining 1 month' time period referred to in the item (b) above, the first and last business days of the relevant month are taken into account.

(2) The restriction on the founder's operations shall not remove its obligation to purchase back the fund shares it has offered through the Platform.

CHAPTER THREE

Operating Rules, Trading Principles

ARTICLE 11- Trading times

(1) Platform general operating rules shall be set by Takasbank. The transactions can be performed within the periods given below on the days in which Takasbank and MKK systems are open.

TRANSACTION TYPE	BUSINESS DAY TIME	HALF-DAY TIME
Order acceptance - Same day value transactions - Forward value transactions	 09:00-13:30 09:00-17:45	 09:00-11:30 09:00-12:30
Unmatched order automatic cancellation - Same day value transactions - Forward value transactions	 13:35 17:50	 11:35 12:35
Value deferral time (Forward value transactions)	13:30	11:30
Cash netting time (TRY)	14:00	12:00
Cash netting time (Foreign Currency)	12:30	-
Default start time (TRY)	15:00	12:30
Default start time (Foreign Currency)	15:45	-

(2) If the operating hours are changed, a general announcement will be made to the members.

(3) The Founder/Operator Member can set different trading times for the trading transactions of the fund shares of the relevant funds provided that they remain within the general operating hours and are defined to Takasbank system.

Istanbul Settlement and Custody Bank Inc
Reşitpaşa Mahallesi, Borsa İstanbul Caddesi, No: 4 Sarıyer 34467 İstanbul
T +90 212 315 25 25 F +90 212 315 25 26 Ticaret Sicil No: 276870
takasbank.haberlesme@hs03.kep.tr Mersis No: 0281001076100015
www.takasbank.com.tr

Gizlilik Sınıfı: Halka Açık (Tasnif Dışı)

ARTICLE 12- Fund limitation information

(1) A restriction can be imposed by Takasbank on the limitation information. The limitation information (value date, margin rate, minimum trade amount, etc.) to be taken as the basis in the fund transactions must be defined to Takasbank system by the Operator Member provided that they remain within the designated limits. For funds traded in foreign currencies, a restriction statement is required for each currency. The limitation definitions being made can be revised by the Operator Member, if necessary. However, the revisions thereof shall become effective on the next business day.

(2) The revision of limitation information shall affect the transactions defined to Takasbank system after such revision becomes effective, and the orders and transactions waiting in the system before the revision shall not be affected.

(3) Keeping the limitation information up-to-date in Takasbank system is under the responsibility of the Founder/ Operator Member. .

(4) For the funds which have, in their by-laws/prospectuses, a provision regarding that the fund share buying or selling transactions cannot be conducted on the days in which the foreign markets are closed, the days in which the relevant foreign markets are closed must be defined to Takasbank system by the Operator Member. The value date shall be deferred by taking account of the defined non-business days. If there is, in the system, any instruction with a value date falling on and after a non-business day, it shall not be allowed to make a non-business day definition.

ARTICLE 13- Fund price information

(1) Fund share price is defined to the system in TRY and foreign currencies in which it is traded.

(2) On each business day, the applicable fund share price must be defined to Takasbank system by the Operator Member until the deadline set forth by Takasbank. For the funds whose price information are failed to be defined until 09:30, a warning message shall be sent to their operator member in electronic environment.

(3) The fund share prices defined to the system shall be used as the trade price for the transactions with same day value, whereas they shall be used to calculate the amount to be blocked for the future-dated transactions. In the execution of the future-dated transactions, the fund share price on the “price value date” shall be taken into account.

(4) For the funds which have no price information in the system, neither any order entry nor any transaction execution shall be allowed.

(5) In case of any price change by the Operator, the members shall be informed in electronic environment. The same day value buying orders of the funds whose price has been changed shall be cancelled automatically by the system.

ARTICLE 14- Fund mergers

(1) The information regarding the merged/merging fund being subject to the fund merger and the merger date and rate must be defined to the Platform by the Operator Member before the merger date by taking account of the value date of the fund. In case there is, during the definition, any order falling on and after the merger date for the transferred fund shares in the system, such orders shall be cancelled automatically.

Istanbul Settlement and Custody Bank Inc
Reşitpaşa Mahallesi, Borsa İstanbul Caddesi, No: 4 Sarıyer 34467 İstanbul
T +90 212 315 25 25 F +90 212 315 25 26 Ticaret Sicil No: 276870
takasbank.haberlesme@hs03.kep.tr Mersis No: 0281001076000015
www.takasbank.com.tr

Gizlilik Seviyesi: Halka Açık (Tasnif Dışı)

(2) In case of any need to sell the amounts remaining below the minimum trade volumes due to the merger operations, the transactions can be conducted outside the Platform and in the CRS system by the members.

(3) If the sale of fund shares is suspended pursuant to article 30 of the Communique No. III-52.1 on Principles of Investment Funds, the responsibility for notifying Takasbank of such situation in writing shall belong to the Founder; and transmitting any buying order to the relevant fund from the notification date shall be prevented by Takasbank throughout the time period designated in the notification.

ARTICLE 15- Trading principles

(1) Order transmission to the Platform is made;

a) By entering to Takasbank screens by the member representatives,

b) Through the web service technologies.

(2) The priority in the transactions is applied on fund basis, according to the system entry time of the transaction.

(3) Transactions on the platform are carried out in TRY currency, except for the funds allowed to be traded in foreign currency by the Board.

(4) Exchange of funds traded in foreign currency is not carried out on half days. If the value of the realization coincides with half a day, the value is advanced to one day later. The price value is not advanced.

(5) The trading order are transmitted on customer basis by the FDIs. The customer account on whose behalf the order is given must have been defined in the MKK system and must be in a tradeable nature. If the customer account is a fund/pension investment fund account, the relevant account must have been defined in Takasbank system and must be in a tradeable nature.

(6) Shares of hedge funds may only be sold to qualified investors within the scope of the Platform. The customer account in which the order is entered should be defined as qualified investor in MKK system.

(7) For the orders defined by the FDIs to the system on behalf of the fund/pension investment fund, the fund share movements shall be directly executed from their accounts at Takasbank, whereas the cash movements shall be executed from the FDI accounts. For the fund share movements, the approval of the portfolio custodian shall not be sought.

(8) If the FDI receives the custody service from another institution, the approval of the custodian institution shall be required in order for the trading orders defined to the system to be processed. In such a case, the cash and fund share movements shall be executed from the custodian institution's accounts.

(9) Through Takasbank system, the FDIs can monitor all orders they have transmitted to the Platform, the Operator Members can monitor the orders incoming to the funds for which they have been authorized, the portfolio custodians can monitor the orders incoming to the funds to which they provide portfolio custody service and the fund founders can monitor the orders incoming to the funds of which they are the founder.

MADDE 16- Allocation process of the shares trading in the Platform

(1) The Operator Member creates a "TEFAS-Pool Increase/Decrease" instruction in Takasbank system and increases or decreases the balance of the "Founder Platform Pool Account" defined under the Founder's "Issuer Account" at the MKK, in which the fund shares to be traded in the Platform are kept.

Istanbul Settlement and Custody Bank Inc
Reşitpaşa Mahallesi, Borsa İstanbul Caddesi, No: 4 Sarıyer 34467 İstanbul
T +90 212 315 25 25 F +90 212 315 25 26 Ticaret Sicil No: 276870
takasbank.haberlesme@hs03.kep.tr Mersis No: 0281001058000015
www.takasbank.com.tr

Gizlilik Seviyesi: Halka Açık (Tasnif Dışı)

(2) The Operator Member can change the pool balance at any time provided that it is made during the general working hours of the Platform. In the pool, the Founder/Operator Member must maintain a sufficient balance that can cover the received buying demands.

ARTICLE 17- Order Types

(1) When transmitting the fund share buying orders to the system, the FDI may prefer one of the three order types mentioned below:

a) **Cancel Remaining:** The outstanding units shall be matched. The unmatched portion of the order shall be cancelled.

b) **Keep Remaining:** A partial match shall be made until the required amount is completed for the order. The unmatched portion of the order at the cancellation time shall be cancelled.

c) **Fill All:** The order shall not be accepted to the system in case of no sufficient balance in the pool to entirely cover the transaction amount.

(2) If the Founder's account balance is inadequate, an order shall be created in the system by taking account of the selected order type.

ARTICLE 18- Order cancellations

(1) The unmatched fund share buying orders waiting in the system due to inadequate trading limit can be cancelled at any time during the day they have been entered to the system, whereas the matched trading orders can be cancelled by the member entering the order until the cancellation deadline designated by the Founder/Operator Member. The matched orders of the funds whose book-building has been made on different days and settled on a future date can be cancelled at any time by the member entering the order until the cancellation deadline at the end of the book-building date designated by the Founder.

(2) The waiting orders not matched until the order cancellation time due to inadequate trading limit shall be cancelled automatically by the system. In determining the order cancellation time, the time designated by the Founder or the time earlier than the Platform general cancellation time shall be taken into account.

(3) The future-dated orders transmitted to the system and matched after the value deferral time can be cancelled by the Founder on the next day until the designated cancellation deadline.

(4) The matched orders can be cancelled automatically by the system for reasons such as fund mergers, price updates, etc.

(5) The orders entered to the system, which have not become subject to the netting but cannot be cancelled by the member because of missing the cancellation deadline may be cancelled upon written approval of the Founder/ Operator Member of the fund subject to the order and consent of Takasbank thereof. In such a case, the cancellation shall be performed by Takasbank.

ARTICLE 19- Trading and funding limit allocation and the collateral

(1) The following types of collaterals are accepted to the platform:

a) Cash (TRY, USD ve EURO)
b) Gold traded on the stock exchange
c) GDDS

Istanbul Settlement and Custody Bank Inc
Reşitpaşa Mahallesi, Borsa İstanbul Caddesi, No: 4 Sarıyer 34467 İstanbul
T +90 212 315 25 25 F +90 212 315 25 26 Ticaret Sicil No: 276870
takasbank.haberlesme@hs03.kep.tr Mersis No: 0281001076100015
www.takasbank.com.tr

Gizlilik Seviyesi: Halka Açık (Tasnif Dışı)

d) Lease Certificates
e) ABS accepted by Takasbank as collateral

(2) As a result of the assessment made by Takasbank, a funding limit shall be allocated to the members intending to trade in the Platform as to be used for the Platform transactions.

(3) In order for the allocated limit to be used, either one and/or several of the gold in the standard traded in the Exchange, USD, EUR, GDDS, ABS (accepted by Takasbank) and/or lease certificates must be provided as collateral. In determining the value of collateral, the valuation haircuts designated by Takasbank Board of Directors on the basis of collateral type shall be applied.

a) GDDS and lease certificated provided as collateral shall be valued based on the prices announced in the Official Gazette by the CBRT.
b) ABS is valued at the theoretical price determined by Takasbank. The related asset shall be taken as a collateral at the latest one day after the receipt of the collateral deposit instruction regarding ABS.
c) GDDS, ABS and lease certificates shall not be accepted as collateral on the redemption date. The redemption amounts of the GDDS, ABS and lease certificates held as collateral shall be transferred to "TEFAS Cash Debt Closing Account".
d) Gold shall be valued over the weighted average USD/ONS price formed for T+0 transactions in the Exchange Precious Metals and Precious Stones Market's last session of the day on which the valuation is made, by the price calculated by using the CBRT foreign currency buying rate. In case of no trade, the weighted average price formed in the previous session shall be used. In order for the gold to be transferred to the member collateral account at Takasbank, it must be deposited over a member of the Precious Metals and Precious Stones Market via bank transfer during the working hours to the custody account of Takasbank at the Exchange Precious Metals and Precious Stones Market.
e) USD and EUR held as collateral shall be valued by using the CBRT foreign currency buying rate.

(4) TRY amounts in "TEFAS Cash Debt Closing Account" shall be accrued interest by Takasbank Fund Management on a best effort basis. The interest accrual shall be performed in accordance with Takasbank Fund Management limits; however no interest will be paid in case of failing to invest such cash because of the current market conditions.

(5) The interest accrual process shall be performed over TRY balance available at 15:45 in "TEFAS Cash Debt Closing Account". Withdrawal of TRY amount debited for interest accrual purposes at 15:45 shall not be allowed. TRY amounts credited to that account after 15:45 shall not be added to the amount on which interest is to be accrued.

(6) TRY interest income remaining after deducting the BITT and other similar legal costs together with "Takasbank Collateral Monitoring and Interest Accrual Fee" from the gross interest amounts shall be credited to "TEFAS Cash Debt Closing Account" on the next business day.

(7) No interest will be paid for "TEFAS Foreign Currency Debt Closing Account" amounts.

(8) A member-based trading limit control shall be performed for each buying order transmitted to the Platform. The trading limit is calculated as follows:

Trading Limit =Available funding limit + TRY and foreign currency cash debt closing account balance + total sales orders incoming on value date – total matched buying orders

Istanbul Settlement and Custody Bank Inc
Reşitpaşa Mahallesi, Borsa İstanbul Caddesi, No: 4 Sarıyer 34467 İstanbul
T +90 212 315 25 25 F +90 212 315 25 26 Ticaret Sicil No: 276870
takasbank.haberlesme@hs03.kep.tr Mersis No: 0281001076100015
www.takasbank.com.tr

Gizlilik Seviyesi: Halka Açık (Tasnif Dışı)

(9) All orders transmitted up to the member trading limit amount shall be accepted to the system and processed. However, orders exceeding the trading limit shall not be accepted to the system but not be processed. In order for the order to be processed, the trading limit must become available up to amount capable of covering the entire order. Any order waiting because of unavailability of the trading limit until the cancellation deadline shall be automatically cancelled.

(10) Amounts in the foreign currency cash debt closing account are included in the limit as TRY equivalent at the CBRT foreign exchange buying rate.

(11) Transactions conducted by the Founder and the orders transmitted by the FDIs for the funds they operate shall not affect the trading limit.

(12) Should the buying orders be placed over the units, the trading limit shall be decreased at the current price in the system for the same day value transactions and at the price calculated by including the margin rate defined for the relevant fund in the system for the future-dated transactions, and should the buying orders be placed over the amount, the trading limit shall be decreased up to the order amount.

(13) For purchase orders given in foreign currency, transaction limit instruction amount is reduced by TRY equivalent at CBRT foreign exchange selling rate. For sales orders given in foreign currency, the CBRT is increased by TRY purchase rate over the foreign exchange buying rate.

(14) If the FDI receives the custody service from another institution, the trading limit of the custodian member must be sufficient in order for the orders transmitted to the system to be executed.

ARTICLE 20- Fund share trading process

(1) The buying orders can be transmitted over the units and/or amounts depending on the preference of the founder, whereas the selling orders can only be transferred over the units.

(2) The order shall not be processed if the customer account given in the transmitted orders is not operatable in the MKK system and if the customer fund/pension investment fund subject to the account is also not operatable in Takasbank system.

(3) If the customer account is not qualified investor in MKK system, the order shall not be processed in the purchase instructions submitted for the shares of hedge funds.

(4) On the day in which the order is defined to the system, the fund shares up to the units subject to the order shall be blocked;

a) in the Founder Platform Pool Account for the buying transactions,

b) in the customer account for the selling transactions.

(5) For the buy orders;

a) The order shall be matched to the extent that the trading limit of the member transmitting the order is sufficient and the Founder's Platform Pool Account balance is available.

b) The buy orders failed to be matched because of unavailability of the Founder's Platform Pool Account albeit the FDI's trading limit is sufficient shall be cancelled in the manner indicated in the FDI's order or waited in the system for matching. The orders waited in the system for matching shall be matched according to the order of priority to the extent the balance of the Founder Platform Pool Account becomes available.

Istanbul Settlement and Custody Bank Inc
Reşitpaşa Mahallesi, Borsa İstanbul Caddesi, No: 4 Sarıyer 34467 İstanbul
T +90 212 315 25 25 F +90 212 315 25 26 Ticaret Sicil No: 276870
takasbank.haberlesme@hs03.kep.tr Mersis No: 0281001058000015
www.takasbank.com.tr

Gizlilik Sınıfı: Halka Açık (Tasnif Dışı)

c) In cases when the Founder Platform Pool Account balance is sufficient but the member's trading limit is not available, the order shall be accepted to the system in the "waiting collateral" status and the number of fund shares subject to the transaction shall be blocked in the Founder Platform Pool Account. If the limit does not become available until the order cancellation deadline, the order shall be cancelled and the fund shares blocked in the pool shall be released.

(6) For the sale orders; the fund shares shall be blocked and the order shall be matched to the extent there are adequate fund shares in the relevant customer account in the MKK system at the moment the order is entered to the system.

(7) For the sale orders transmitted to the system by the FDIs on behalf of the fund/pension investment fund, the fund shares shall be blocked in the fund's blockage sub-account at Takasbank and matched accordingly.

(8) The sale transaction of the shares in the customer account can be executed below the minimum buy-back amount provided that all shares are made subject to the sale.

(9) The matched future-dated fund share trading orders shall be kept waited in the system until the value date. On the value date, they shall be processed over the fund share price entered to the system by the Operator Member and to be applicable for the transactions.

(10) The cash amounts of the matched orders waiting in the system shall be netted-off on the value date at 14:00 for TRY orders at 12:30 for foreign currency orders. The Platform member shall be debited or credited up to the transaction amount. As a result of the netting process:

a) If the member becomes a cash payee, all fund share transfers shall be made immediately and the cash receivable transfers shall be made as the balance becomes available in the Platform Pool Account.

b) If the member becomes a cash obligor, all fund shares it has indebted shall be immediately transferred whereas the fund shares it would receive shall be transferred pro-rata to the cash debt it has closed. However, the fund share transfer orders cannot be executed in a partial manner.

ARTICLE 21- Netting, debt closing, receivable distribution

(1) Cash amounts of the trading transactions shall be netted-off on the value date at 14:00 for TRY at 12:30 for foreign currency. No fund-based netting shall be conducted. The fund share transfers shall be performed on an order basis.

(2) Net TRY cash obligations shall be fulfilled by making payment to "TEFAS Cash Debt Closing Account" until 15:00.

(3) The member will fall into default for the TRY cash obligations failed to be fulfilled as of 15:00. The obligation of the member shall be fulfilled by Takasbank by extending credit against collateral it has deposited, provided that it is limited to its funding limit. The CBRT foreign exchange buying rate is used in the calculation of the TRY cash credit provided against foreign currency.

(4) Net foreign currency cash obligations shall be fulfilled by making payment to "TEFAS Foreign Currency Cash Debt Closing Account" until 15:45.

(5) The member will fall into default for the foreign cash obligations failed to be fulfilled as of 15:45. No credit is granted for the foreign currency obligation of the member.

(6) Net cash receivables shall be credited to the members' current accounts at Takasbank.

Istanbul Settlement and Custody Bank Inc
Reşitpaşa Mahallesi, Borsa İstanbul Caddesi, No: 4 Sarıyer 34467 İstanbul
T +90 212 315 25 25 F +90 212 315 25 26 Ticaret Sicil No: 276870
takasbank.haberlesme@hs03.kep.tr Mersis No: 0281001076100015
www.takasbank.com.tr

Gizlilik Seviyesi: Halka Açık (Tasnif Dışı)

CHAPTER FOUR

Default

ARTICLE 22- Default Principles

(1) The member failing to fulfill its TRY cash obligation at 15:00, foreign cash obligation at 15:45 on the value date shall be deemed defaulted without the need for any notice and shall pay default interest.

(2) In determining the default, the transfer time of cash to the member's "TEFAS Cash Debt Closing Account" for TRY "TEFAS Foreign Currency Cash Debt Closing Account" for foreign currency shall be taken into account.

(3) In calculating the default interest, the higher of the CBRT late liquidity window (LON) lending interest rate and the overnight weighted average interest rates formed in the repo-reverse repo markets established by the Borsa Istanbul A.Ş., in which the government securities are traded, the CBRT Interbank Money Market or Takasbank Money Market shall be used. In the calculation, the interest rate designated for each day in the period elapsed from the value date to the day on which the debt is closed shall be used.

(4) The default interest shall be calculated based on the number of calendar days between the value date of the transaction and the date on which the obligations have been fulfilled.

(5) In calculating the default interest, the haircuts given in the following table shall be used depending on the time of fulfillment of the obligation.

(6) The Operator Member who have not defined its fund share price (for each currency traded) disclosure obligation to the system as at the time set forth by Takasbank and have fulfilled its obligation with delay shall be obliged to pay the fixed late payment fee given in the table below for each single day on which it has made delayed disclosure.

TYPE OF OBLIGATION	TIME INTERVAL	HAIRCUT
CASH (TRY)	15:00-15:30	0.5
	After 15:30 with the same day value	1
	After the value date	2
CASH (FOREIGN CURRENCY)	15:45-16:30	0.5
	After 16:30 with the same day value	1
	After the value date	2
FUND SHARE PRİCE DISLOSURE	Price disclosure made after the cut-off time or not made at all	500 TRY

(7) Total default interest amount calculated by the following formula shall be accrued to the relevant institution:

Default interest = Default Amount * Interest Rate * Haircut / 360

For foreign currency obligations default amount calculated by the following formula:

Istanbul Settlement and Custody Bank Inc
Reşitpaşa Mahallesi, Borsa İstanbul Caddesi, No: 4 Sarıyer 34467 İstanbul
T +90 212 315 25 25 F +90 212 315 25 26 Ticaret Sicil No: 276870
takasbank.haberlesme@hs03.kep.tr Mersis No: 0281001
www.takasbank.com.tr

Gizlilik Sınıfı: Halka Açık (Tasnif Dışı)

Default Amount = Default amount in foreign currency * CBRT foreign exchange buying rate on the date of debt closure.

The member shall be obliged to pay the default interest accrued to its name on the same day. Any default interest amount failed to be paid shall be ex-officio collected from the free account of the member.

(8) In case the members to which a default interest has been accrued have any default objection and if their written default objection requests incorporating the reason and explanations thereof are justified by Takasbank upon its assessment, the default shall be cancelled.

(9) The member whose cash obligation is fulfilled by Takasbank by using the funding limit shall also be obliged to pay Takasbank funding amount together with the accrued default interest being calculated in the manner mentioned above.

(10) 2/3 of the default interest collected from the defaulting member shall be paid as mistreatment payment to the free current account at Takasbank of the member who have failed to receive its receivable on the value date due to the default of the counterparty, albeit it has fulfilled its obligation. In order for the mistreatment payment to be made, the delivery or payment failed to be executed on the same day should not have been resulted from any problem arising from Takasbank's, MKK's and CBRT's systems and the written objection of the defaulting member should have been regarded as invalid and a default interest should have been collected.

(11) The credit amount failed to be closed during the day must be firstly closed by the member on the next business day.

CHAPTER FIVE

Commissions

ARTICLE 23- FDI brokerage commission

(1) The brokerage commission is the commission paid to the FDIs from the fund account at Takasbank.

(2) No brokerage commission shall be calculated for the transactions conducted by the Founders in their capacity as FDI for their funds.

(3) The brokerage commission rate is a certain percentage of the fund management fee defined to the system by the Operator Member.

(4) The commission rate shall be defined to Takasbank system separately for each fund by the Operator Member. The brokerage commission rate and the fund management fee rate must be defined to the system by the Operator Member.

(5) The brokerage commission can be defined as a "general commission rate" and "special commission rate". Defining any "general commission rate" different from the rate determined by the Board is not permitted by the system. A "special commission rate" may also be defined on a member basis for the institutions with which the Founder has made an exclusive agreement, provided that such rate remains within the range of minimum and maximum limits.

(6) The rate of the fund management fee can be changed by the Founder/Operator Member at any time, however the rate of the brokerage commission can only be changed on quarterly basis.

Istanbul Settlement and Custody Bank Inc
Reşitpaşa Mahallesi, Borsa İstanbul Caddesi, No: 4 Sarıyer 34467 İstanbul
T +90 212 315 25 25 F +90 212 315 25 26 Ticaret Sicil No: 276870
takasbank.haberlesme@hs03.kep.tr Mersis No: 0281007290900015
www.takasbank.com.tr

Gizlilik Seviyesi: Halka Açık (Tasnif Dışı)

(7) In determining the brokerage commission rates, January-March, April-June, July-September and October-December periods are taken as the base. These periods can be changed by Takasbank by serving an advance notice to the members. Any change in the brokerage commission rate, provided that it is made until 20th day of the last month of the relevant period at the latest, shall be applicable for the transactions of the next period. Changes to be made after that date shall be applicable for the subsequent period.

(8) Any change made in the fund management fee and brokerage commission rates of the funds traded in the Platform shall be informed to the members in electronic environment.

(9) In calculating the brokerage commissions, the number of fund shares carried by the FDI at the end of the day as a result of the trading transactions it has conducted in the Platform.

(10) In the calculation made on a daily basis, the commission to be paid to the FDI is computed by the following formula;

Brokerage Commission = Number of end-of-day fund shares * Share sales price applicable to the fund share * Fund Management Fee Rate * Brokerage Commission Rate

(11) The total commission amount of the previous month shall be determined on the first business day of each month and transferred from the Fund account to the FDI's account upon approval of the Operator Member. The brokerage commissions of the portfolio management companies that they have conducted in their capacity as FDI shall be calculated on behalf of the relevant portfolio company.

(12) In the commission calculation detail submitted to the approval of the Operator Member, a revision can be made in the daily stock information by entering the explanation thereof by the Operator Member, if necessary. Should such a change be made, the daily stock information kept in Takasbank system shall be updated and the commission shall be re-calculated.

(13) The FDI commission calculated for each month shall be paid until the end of the fourth business day of the subsequent month. Any amount failed to be paid within such time period shall be collected ex-officio by Takasbank from the free current account of the fund on the next business day.

ARTICLE 24- Takasbank commissions

(1) The below-mentioned three types of commissions shall be charged in the Platform:

a) **Membership Entrance Fee:** A one-time membership entrance fee shall be collected on a fund basis from the Founder for the funds to be traded in the Platform.

b) **Membership Fee:** The fee which is charged on a monthly basis to all institutions (Founders, Operator Members and FDIs) becoming a member to the Platform and collected from the members' free current account on the first business day of each month.

c) **Trading commission:** The commission which is collected from the transactions conducted in the Platform and determined in accordance with the second paragraph of this article upon proposal of the Board of Directors. The trading commission shall be paid until the end of the fourth business day of the subsequent month. Any amount failed to be paid within such time period shall be collected ex-officio by Takasbank from the free current account of the member on the next business day.

(2) The fee and commission rates to be charged pursuant to the first paragraph by Takasbank shall be determined in accordance with article 35 of the Regulation on the Establishment and Operating Principles of Central Clearing and Settlement Institutions published in the Official Gazette dated 30.05.2013 and numbered 28662.

Istanbul Settlement and Custody Bank Inc
Reşitpaşa Mahallesi, Borsa İstanbul Caddesi, No: 4 Sarıyer 34467 İstanbul
T +90 212 315 25 25 F +90 212 315 25 26 Ticaret Sicil No: 276870
takasbank.haberlesme@hs03.kep.tr Mersis No: 0281001076100015
www.takasbank.com.tr

Gizlilik Sınıfı: Halka Açık (Tasnif Dışı)

CHAPTER SIX

Final Provisions

ARTICLE 25- Enforcement

(1) This Implementing Principles shall enter into force on the date of its announcement by Takasbank upon its approval by the Board of Directors.

ARTICLE 26- Execution

(1) The provisions of this Implementing Principles shall be executed by Takasbank Board of Directors.

Istanbul Settlement and Custody Bank Inc
Reşitpaşa Mahallesi, Borsa İstanbul Caddesi, No: 4 Sarıyer 34467 İstanbul
T +90 212 315 25 25 F +90 212 315 25 26 Ticaret Sicil No: 276870
takasbank.haberlesme@hs03.kep.tr Mersis No: 0281001076100015
www.takasbank.com.tr

Gizlilik Seviyesi: Halka Açık (Tasnif Dışı)