

# The Structure of the Turkish Capital Markets

2010



**TSPAKB** The Association of Capital Market  
Intermediary Institutions of Turkey



# **The Structure of the Turkish Capital Markets 2010**

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Istanbul, April 2010

TSPAKB Publication No. 47

ISBN-978-975-6483-26-8

For online version please visit TSPAKB's website at;  
[www.tspakb.org.tr](http://www.tspakb.org.tr).

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## ABBREVIATIONS

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<b>Term</b>	<b>Definition</b>
AIRCT	The Association of the Insurance and Reinsurance Companies of Turkey
BAT	Banks' Association of Turkey
BRSA	Banking Regulation and Supervision Authority
CBRT	Central Bank of the Republic of Turkey
CMB	Capital Markets Board
CML	Capital Market Law
CRA	Central Registry Agency
ETF	Exchange Traded Funds
FX	Foreign Exchange
IFRS	International Financial Reporting Standards
IGE	Istanbul Gold Exchange
ISE	Istanbul Stock Exchange
OTC	Over the Counter
PBAT	Participation Banks' Association of Turkey
Takasbank	ISE Settlement and Custody Bank
TETS	Takasbank Electronic Transfer System
TMM	Takasbank Money Market
TL	Turkish Lira
TSPAKB	The Association of Capital Market Intermediary Institutions of Turkey
TurkDex	Turkish Derivatives Exchange
TVIS	Takasbank Derivatives System

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## OVERVIEW OF THE TURKISH CAPITAL MARKETS

### I. MILESTONES

A brief timeline and milestones of Turkish capital markets are presented below:

- 1981 Capital Markets Law was enacted.
- 1982 Capital Markets Board established.
- 1985 Istanbul Stock Exchange established.
- 1987 First mutual fund issued.
- 1989 Settlement and Custody Department established within ISE  
Decree No. 32 liberalising foreign investments.
- 1991 Bonds & Bills Market established within ISE.
- 1992 Settlement and Custody Inc. established as a separate company.  
Corporate bond market established within ISE.
- 1993 Repo-Reverse Repo Market established within ISE.  
Automated trading started with 50 companies.
- 1994 Settlement on T+2.  
Fully automated trading started.
- 1995 Settlement and Custody Bank (Takasbank) was formed.  
Istanbul Gold Exchange established.  
New Companies Market established within ISE.  
International Securities Market established within ISE.
- 1996 Securities Lending & Borrowing Market established within Takasbank.  
Money Market established within Takasbank.
- 1997 Banks are not allowed to trade equities, but may establish brokerage subsidiaries.  
First asset management company established.
- 1998 First credit rating agency established.
- 1999 Client-based custody at Takasbank.
- 2000 Market making system introduced for government bonds.  
First venture capital trust offered to the public.
- 2001 TSPAKB (Association) established.  
Investors' Protection Fund established.  
Futures market established within ISE.

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- Central Registry Agency established.  
Remote trading started at ISE.
- 2002 Pension system regulation passed.
- 2003 Corporate governance principles published.  
First private pension fund established.  
International Financial Reporting Standards adopted.
- 2004 First Exchange Traded Fund established.
- 2005 Turkish Derivatives Exchange established.  
Dematerialisation of equities completed.
- 2006 Dematerialisation of corporate bonds and mutual funds completed.
- 2007 Opening auction introduced at ISE for the first session.  
Mortgage Law passed.  
Eurobond market established within ISE.
- 2008 ISE's trading hours extended by 30 minutes.
- 2009 Automated Disclosure Platform introduced.  
ISE's trading hours extended by 30 minutes for the second session.  
ISE Emerging Companies Market regulation passed  
Collective Products Market established within ISE.  
Opening auction introduced for the second session at ISE.

## **II. REGULATORY STRUCTURE OF THE FINANCIAL SYSTEM**

The Turkish financial system has a fragmented regulatory structure. Banking Regulation and Supervision Agency (BRSA) is in charge of the banking system, whereas the Capital Markets Board of Turkey (CMB) is the main regulator of the capital markets. The Undersecretariat of Treasury, on the other hand, oversees the insurance industry. Major institutions are briefly introduced below and a chart is provided on the next page with an illustration of jurisdictions.

**Capital Markets Board of Turkey (CMB)** is the regulatory and supervisory authority for the securities markets and institutions in Turkey. The CMB determines the operational principles of the capital

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markets and is responsible for the protection of the rights and interests of investors. CMB regulates and supervises public companies, listed companies, financial intermediaries, exchanges, mutual, closed-end and pension funds, Settlement and Custody Bank (Takasbank), Association of Capital Market Intermediary Institutions of Turkey (TSPAKB), Central Registry Agency (CRA) and other related institutions operating in the capital markets, such as independent audit firms, rating agencies, etc. The role of the CMB will be elaborated in the following section.

**The Exchanges; Istanbul Stock Exchange (ISE), Turkish Derivatives Exchange (TurkDex), and Istanbul Gold Exchange (IGE)** have the authority to regulate their own markets, listed companies and products in these markets and member intermediaries. Exchanges will be explained in detail in the following sections.

**Banking Regulation and Supervision Agency (BRSA)** is the regulatory and supervisory authority for the banking sector. The BRSA is responsible for regulating the activities of deposit banks, participation banks (Islamic banks), development and investment banks including Takasbank, foreign banks' branches in Turkey, audit firms, rating agencies, financial holding companies, leasing, factoring and consumer finance companies.

**The Association of Capital Market Intermediary Institutions of Turkey (TSPAKB)** is a self-regulatory organization. All brokerage firms and banks that are authorized for capital market operations have to be members of the Association. TSPAKB sets professional rules and monitors them to provide a fair and disciplined capital market. TSPAKB establishes and enforces regulations on subjects assigned by legislation or CMB. The role of TSPAKB will be explained in detail in the next section.

**Banks' Association of Turkey (BAT)** is a self-regulatory organization. All deposit banks, development and investment banks (including Takasbank) operating in Turkey are members of the BAT. BAT determines professional principles and sets standards for members.



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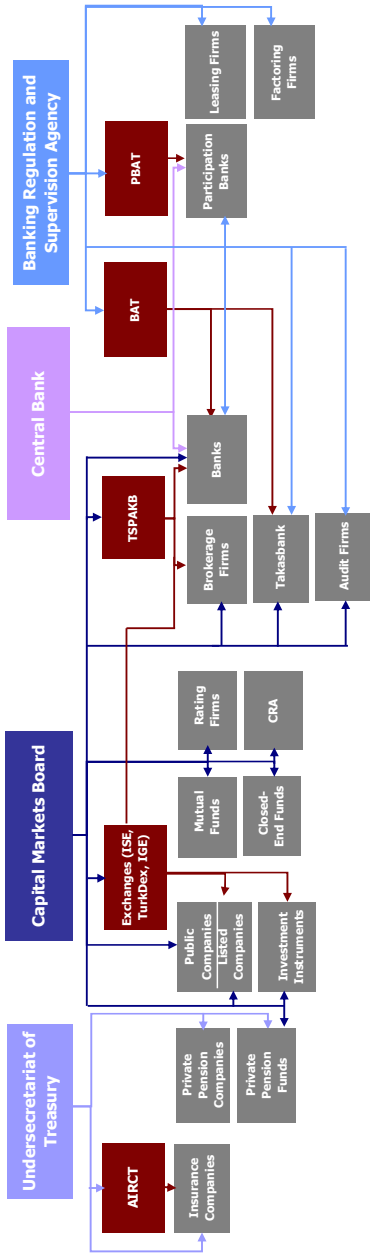
**Participation Banks' Association of Turkey (PBAT)** is the self-regulatory organization for participation banks. Participation banks operate under interest free (Islamic) banking principles. PBAT has the same authority as BAT on its members.

**Undersecretariat of Treasury** is the regulatory and supervisory authority for the insurance sector and the private pension system.

**Association of the Insurance and Reinsurance Companies of Turkey (AIRCT)** is a self-regulatory organization. All insurance and reinsurance companies are AIRCT's members.

**Central Bank of the Republic of Turkey (CBRT)** regulates money and foreign exchange markets. CBRT has the authority to determine procedures and conditions of reserve and liquidity requirements. CBRT determines the terms and types of deposits in banks and the terms of participation funds in participation banks.

## REGULATORY STRUCTURE OF THE TURKISH FINANCIAL SYSTEM



AIRCT: The Association of the Insurance and Reinsurance Companies of Turkey

BAT: Banks' Association of Turkey

CRA: Central Registry Agency

IGE: Istanbul Gold Exchange

ISE: Istanbul Stock Exchange

PBAT: Participation Banks' Association of Turkey

Takaasbank: Settlement and Custody Bank

TSPAKB: The Association of Capital Market Intermediary Institutions of Turkey

TurkDex: Turkish Derivatives Exchange

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### **III. REGULATORY FRAMEWORK OF THE CAPITAL MARKETS**

In 1981, the Capital Market Law (CML) was enacted and a year later, the main regulatory body, the Capital Markets Board (CMB) was established. In 1984, the Regulation for the Establishment and Operations of Securities Exchanges led to the establishment of the Istanbul Stock Exchange (ISE). ISE started trading at the end of 1985.

Brief descriptions of capital markets regulations are provided below.

#### **A. Capital Market Law**

The objective of the CML is to regulate, supervise and provide for the secure, fair and orderly functioning of the capital markets, while protecting the rights and interests of investors.

Capital market instruments, public offerings and sales, issuers, exchanges and other organized markets stipulated in the CML, capital market activities, capital market institutions and the structure of the Capital Markets Board are all subject to the provisions of CML.

Joint stock companies which have more than 250 shareholders or which offer their shares to the public are subject to the CML. In addition to this, securities issued by the state economic enterprises (including those within the scope of the privatization program), municipalities and related institutions are subject to the disclosure requirements.

CMB's main regulatory tool is its communiqués. CMB communiqués are published according to their content under the following sections, some of which are also available in English on the CMB's web site.

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Serial	Context
I	Stocks
II	Bonds
III	Other Securities
IV	Public Corporations
V	Brokerage Houses
VI	Investment Trusts
VII	Mutual Funds
VIII	Miscellaneous Subjects
IX	Securities Exchanges
X	Independent External Auditing
XI	Accounting Principles
XII	Descriptive Communiqué

## **B. Decree Law No. 91 Concerning Securities Exchanges**

In 1983, establishment, activities, operating principles and supervision of securities exchanges were defined by the Council of Ministers. The purpose of this Decree Law is to secure and provide for the transparent, sound and prudent operation of the securities exchanges.

The Istanbul Stock Exchange was established as a public institution with the authority to provide an organized trading platform and inform the public by disseminating securities prices. Establishment of securities exchanges is subject to the approval of the Ministry of Finance, upon the recommendation of the CMB. Securities exchanges are subject to the scrutiny and supervision of the CMB.

## **C. Other Relevant Legislation**

Apart from the above-mentioned legislation, there are other important regulations which affect the securities markets

### **1. Decree No. 32**

Decree No. 32 regarding the "Protection of the Value of the Turkish Currency" was enacted in August 1989 and aims to further liberalize the financial system. It allows non-residents to invest in Turkish securities and vice versa, through financial intermediaries authorized by the CMB. An amendment to this Decree in February 2008 defines

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the foreign currency transactions of brokerage firms. Accordingly, brokerage firms can buy and sell foreign currency as long as it is done with their clients and for the purpose of trading securities, which previously was not possible.

## **2. Regulation Concerning the Establishment and Operation Principles of Securities Exchanges**

The Regulation was prepared by the Capital Markets Board and put into effect upon the decision of the Council of Ministers in 1984. It details the functioning of securities exchanges.

## **3. Regulation of the Istanbul Stock Exchange**

The Regulation sets forth the principles and rules of operation for the Istanbul Stock Exchange. It was put into effect in 1985 and revised in 1996.

## **IV. TAXATION**

Turkey has a liberal foreign investment policy. There are no restrictions on foreign investments, repatriation of capital and profits. Foreign individuals and corporations (including investment trusts and investment funds abroad) can freely purchase and sell all sorts of securities and other capital market instruments. However, a foreign investor should use a Turkish intermediary for capital market activities, such as, buying and selling securities, repo, portfolio management, investment consultancy, underwriting, margin trading, securities lending etc.

<b>TAXATION OF SELECTED INVESTMENT INSTRUMENTS IN TURKEY</b>				
<b>Investment</b>	<b>Individuals</b>		<b>Corporations</b>	
	<b>Residents</b>	<b>Non-residents</b>	<b>Residents</b>	<b>Non-residents</b>
Bank Deposits	15% withholding tax.	15% withholding tax.	15% withholding tax. <sup>1</sup>	15% withholding tax.
Repo Interest	15% withholding tax.	15% withholding tax.	15% withholding tax. <sup>1</sup>	15% withholding tax.
Capital Gains and Interest on G. Bonds, Corporate Bonds, etc.	10% withholding tax.	0% withholding tax.	10% withholding tax. <sup>1</sup>	0% withholding tax.
Futures	Withholding tax rate is 0% for contracts based on equities and equity indices and 10% for other contracts. Withholding tax is the final tax.	0% withholding tax.	Withholding tax rate is 0% for contracts based on equities and equity indices and 10% for other contracts. Subject to 20% corporate tax.	0% withholding tax.
Listed Equities	Capital gains derived from shares subject to 0% withholding tax. The shares of investment trusts and exchange traded funds are subject to 10%, if held for less than a year. <sup>2</sup> Withholding tax is the final tax.	0% withholding tax.	Capital gains are subject to 0% withholding tax. The shares of investment trusts and exchange traded funds are subject to 10%, if held for less than a year. <sup>2</sup> Subject to 20% corporate tax.	0% withholding tax.
Investment Funds	Subject to 10% withholding tax. Withholding tax is the final tax. 2	Subject to 0% withholding tax. Withholding tax is the final tax.	Subject to 10% withholding tax. Subject to 20% corporate tax. 2	Subject to 0% withholding tax. Withholding tax is the final tax.
Dividends on Equities	15% withholding tax is applied by the corporation distributing dividends. <sup>3</sup>	15% withholding tax is applied by the corporation distributing dividends.	Not subject to dividend withholding tax. Dividends received from resident incorporations are exempt from corporate tax.	15% withholding tax is applied by the corporation distributing dividends.

1: Earnings are subject to corporate tax, but withholding tax is deducted.  
2: Withholding tax is not applied on the gains from the investment funds, if held for more than one year.  
3: Half of the dividends are exempt from income tax. If the remaining amount exceeds the declaration limit (TL 22,000 in 2010) all income must be declared and will be subject to income tax. In that case, full amount of withholding tax may be deducted from the income tax.

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Tax policy of investment instruments changed dramatically at the beginning of 2006 and was significantly simplified. Initially, a 15% withholding tax has been imposed on all kinds of investment instruments (deposits, equities, bonds, mutual funds, etc.) regardless of the type of the investor (resident/non-resident, individual/corporate). However, during 2006, some amendments were made. The withholding tax rate has been reduced to 10% on some instruments for domestic investors and abolished for foreign investors. Currently, foreign investors are not subject to any taxes on securities. With the change in taxation policy in 2008, residents also became subject to 0% withholding tax on equities.

On the other hand, in 2009 the Constitutional Court cancelled the different withholding tax practices of investment instruments between domestic and non-resident investors. Ministry of Finance will have to announce a new taxation policy until September 2010. The current regulation will remain in effect until that time.

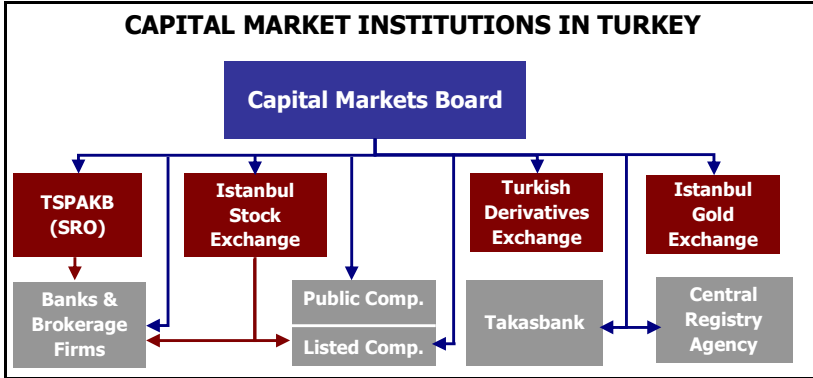
We present a summary of the current system on the table. However, it should be noted that this presentation does not cover all instruments or all aspects of taxation.

In order to be exempt from taxation, non-resident individual investors are required to provide a certificate of residence. The certificate of residence must be renewed every year. If the certificate of residence is not submitted, non-resident individuals will be treated as resident investors. For non-resident corporate investors, a certificate of incorporation is required to benefit from exemptions.

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## CAPITAL MARKET INSTITUTIONS

Institutional structure of the Turkish capital markets is depicted in the diagram below.



### I. CAPITAL MARKETS BOARD

The Capital Markets Board of Turkey is the main regulatory and supervisory authority in charge of the securities markets. Empowered by the Capital Markets Law, the CMB has been making detailed regulations for organizing the markets and developing capital market instruments and institutions.

The CMB aims to ensure the safe, fair and orderly functioning of the capital markets while protecting the rights and interests of investors. Its ultimate objective is to foster the development of the securities markets and contribute to the efficient allocation of financial resources within the Turkish economy.

#### A. Organization Structure

The Capital Markets Board is governed by the Executive Board, which is the main decision-making body. The Chairman of the Executive Board also acts as the Chief Executive Officer. The Executive Board consists of seven members. The Council of Ministers



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appoints two members from among the four nominees of the Minister of State in charge of the Economic Affairs. The other five members are appointed from among the nominees of the Ministry of Finance, Ministry of Industry and Commerce, the Banking Regulatory and Supervisory Board, the Association of Trade Chambers and Exchanges and the Association of Capital Market Intermediary Institutions of Turkey. Each of these institutions nominates two candidates, one of whom is to be elected. All members are appointed by the Council of Ministers for a period of six-years. The Council of Ministers appoints one of the members as the Chairman and the Executive Board elects one member as the Deputy Chairman. The Executive Board is the highest decision-making body of the CMB and is empowered to decide on any issue within the authority of the CMB.

## **B. Functions**

The CMB's jurisdiction areas may be classified into three main groups:

- Primary markets,
- Secondary markets,
- Financial intermediation.

### **1. Functions Related to Primary Markets**

The CMB registers the securities offered to the public and is responsible for the regulation and supervision of the entire offering process. Main functions of the CMB in this area are as follows:

- Registering publicly held companies and capital market instruments to be issued or offered to the public;
- Regulating the issue process of capital market instruments;
- Regulating the issues and public offerings of capital market instruments by non-residents;
- Regulating and supervising public offerings, capital market activities and transactions through electronic communication tools and media;
- Determining standards for offering prospectuses and circulars;
- Determining audit principles and disclosure procedures;

- 
- Establishing financial and other reporting standards for corporations;
  - Setting criteria for the establishment and operating principles of independent audit companies;
  - Ensuring accurate and complete information dissemination in markets;
  - Overseeing all kinds of announcements, advertisements and publications related to capital markets in order to prevent dissemination of misleading information;
  - Determining principles for proxy voting in publicly held companies;
  - Regulating the rating of financial instruments.

## **2. Functions Related to Secondary Markets**

In the secondary markets, the CMB has the authority and the responsibility to:

- Regulate and supervise both the organization and the operations of stock exchanges and over-the-counter markets;
- Set the rules and principles for the establishment of futures and option markets;
- Regulate and supervise futures contracts based upon economic and financial indicators, capital market instruments, commodities, foreign currencies and precious metals;
- Regulate and supervise precious metal exchanges;
- Regulate the margin trading, securities lending and short-selling of capital market instruments;
- Regulate and supervise the clearing, settlement and custody systems.

## **3. Functions Related to Financial Intermediation**

The Capital Market Law defines capital market activities as well as the types of institutions allowed to operate in capital markets, and empowers the CMB to set the requirements that these institutions should fulfil. Capital market institutions are defined in the CML as follows;

- Intermediary institutions (i.e. banks and brokerage firms),

- 
- Investment companies (including real estate investment trusts and venture capital companies),
  - Mutual funds,
  - Other institutions (i.e. settlement, custody, asset management companies, rating institutions, independent auditors, issuers of asset-backed securities, etc.).

Capital market activities within the scope of the CML are as follows:

- Financial intermediation for public offering or issuing of capital market instruments which have to be registered with the CMB;
- Intermediation on previously issued capital market instruments (i.e. secondary market trading);
- Financial intermediation for trading futures contracts based on economic and financial indicators, capital market instruments, commodities, foreign currencies and precious metals;
- Repo/reverse repo agreements;
- Portfolio management and investment consultancy;
- Margin trading, securities lending and short-selling of securities; and
- Activities of other capital market institutions.

## **II. TSPAKB (ASSOCIATION OF CAPITAL MARKET INTERMEDIARY INSTITUTIONS OF TURKEY)**

The Association of Capital Market Intermediary Institutions of Turkey (Association) was established as a self-regulatory organization in February 2001.

All the brokerage firms and banks that are authorized for capital market operations must become members of the Association. As of March 2010, 41 banks and 103 brokerage firms are members.

### **A. Organization Structure**

The statutory bodies of the Association are the General Assembly, the Board of Directors and the Board of Auditors. The General Assembly is the highest decision-making body, where each member

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firm has one voting right.

The Board of Directors is composed of seven members, who are elected for a term of two years. The Board of Auditors has three members, also serving for two years.

The Secretary General carries out the daily management and administration of the Association.

## **B. Objectives and Functions**

The Association aims to:

- Contribute to the development of capital markets and intermediation activities;
- Facilitate solidarity among its members;
- Safeguard prudent and disciplined conduct of business by its members;
- Prevent unfair competition among members;
- Enhance professional know-how in the sector.

The main functions of the Association are to:

- Establish professional rules and regulations;
- Set safety measures to prevent unfair competition;
- Monitor professional developments, changes in rules and regulations and inform members thereof;
- Evaluate complaints against its members;
- Impose disciplinary action on members, when necessary;
- Assist in the resolution of disputes arising from off-exchange transactions among its members or between its members and investors;
- Appoint arbitrators upon the request of concerned parties;
- Conduct research on Turkish and international capital markets;
- Offer training programs;
- Issue licenses to capital market professionals who are required to pass exams organized by the CMB;
- Keep records of all capital market professionals;
- Cooperate with related foreign institutions.

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## C. Licensing of Market Professionals

Since 2003, capital market professionals are required to get a license in order to be employed at intermediaries or other capital market institutions, such as asset management companies, real estate appraisers etc. There are several types of licenses for market professionals. At least one among the first seven is a requirement for employment at intermediaries.

1. Basic Level (branch manager, representative office manager, etc.)
2. Basic Level Customer Representative (client advisors, etc.)
3. Advanced Level (managers, research, corporate finance etc.)
4. Settlement & Operations (back office)
5. Derivatives (derivatives traders, managers, back office)
6. Derivatives Customer Representative (client advisors, etc.)
7. Derivatives Accounting & Operations (back office)
8. Real Estate Appraisal (mortgage and real estate appraisers)
9. Residential Real Estate Appraisal (mortgage and real estate appraisers)
10. Credit Rating (credit rating agencies)
11. Corporate Governance Rating (corporate governance rating agencies and Investor Relations Departments at public companies)
12. Independent Auditing in Capital Markets (independent auditors of public companies and intermediaries)

In order to be licensed, an individual needs to pass an exam organized by the CMB. In March 2010, the licensing examinations were organized with the cooperation of CMB and TSPAKB for the first time.

After passing the examination, the individual should apply to the Association with the required documents to get his/her license. License holders' detailed information is kept at the Association's registry and a limited version is published on its web site. Licenses have to be renewed every four years by attending a one-day training course on the Association's premises. As of March 2010, there are 33,136 license holders on the Association's registry. Total number of employees at the brokerage firms is 4,795 by the end of 2009.

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### **III. ISTANBUL STOCK EXCHANGE**

Istanbul Stock Exchange (ISE) was established at the end of 1985. ISE is a mutual organization, with banks and brokerage firms as members. In fact, it has a quasi-governmental structure. The Chairman is appointed by the government, but the remaining four Board Members are elected by the General Assembly from among its members. ISE has some self-regulatory authority on its members and has its own budget, but major decisions are subject to CMB approval.

Currently, the securities traded on ISE markets are:

- Equities,
- Exchange traded funds,
- Government bonds and Treasury bills,
- Corporate bonds,
- Money market instruments (repo/reverse repo),
- Foreign securities (i.e. Turkish Treasury's eurobonds)

On the other hand, covered warrants are expected to be listed soon.

#### **A. Organization Structure**

The ISE is governed by an Executive Council (i.e. Board) which is composed of five members. The Chief Executive Officer of the ISE is appointed by the government for a term of five years and is also the Chairman of the Executive Council. The remaining four members are elected by the General Assembly from amongst the two categories of members: banks and brokerage houses.

The General Assembly, composed of ISE members, is the supreme decision-making body of the ISE. Its decisions are subject to ratification and review of the CMB. The General Assembly also decides on issues related to the management and administration of the ISE. Each member has one vote at the meetings. Two internal auditors appointed by the General Assembly audit all accounts and financial statements of the ISE. ISE's accounts and financial statements are also independently audited.

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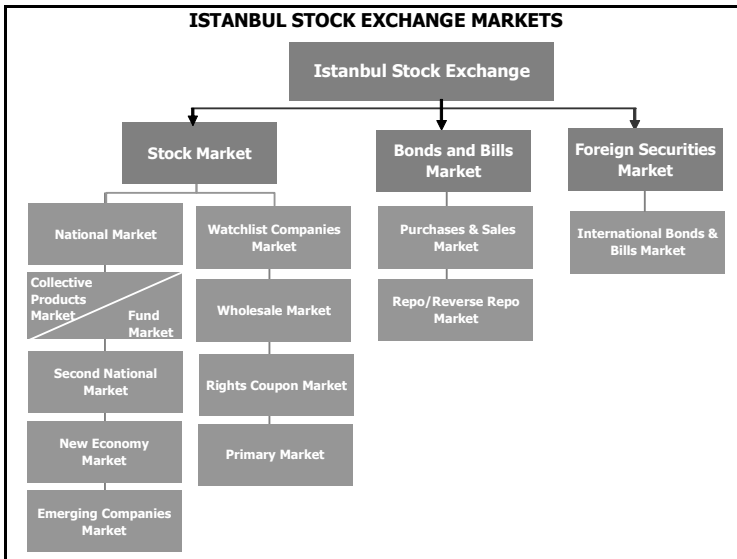
## B. Functions

ISE sets its functions as follows:

- Examine listing application of securities, request additional information and documents if necessary;
- Launch the derivatives market (currently there is no derivatives activity within ISE);
- Determine types of securities to be traded on the Exchange, launch necessary markets and disclose information about traded securities;
- Determine working days and hours for the Exchange markets;
- Ensure reliable and smooth trading of securities;
- Sanction the ISE members violating ISE regulations; and
- Take necessary precautions in line with the rules and regulations in the event of extraordinary circumstances on the Exchange (i.e. suspicious trading, manipulation etc.).

## C. Markets

There are three main markets at the Istanbul Stock Exchange and several sub-markets within these main markets.



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## 1. Stock Market

Equities, rights coupons and exchange-traded funds are traded on the stock market. Only brokerage firms are allowed to trade equities.

The size of markets is given in the table below.

ISE Markets (31/03/2010)		
Markets	No. of Companies	MCap. (mn. \$)
National	233	251,210
Collective Products	57	2,759
Second National	22	2,087
New Economy	2	29
Watch List	12	131
<b>Total</b>	<b>326</b>	<b>256,215</b>

Source: ISE

### a. National Market

ISE National Market is the main market where companies that fulfil the listing and liquidity criteria determined by the ISE, are traded. Listing requirements are given in detail in the following sections.

Liquidity (daily average trading volume and number of contracts) criteria are reviewed quarterly. In case a company fails to meet the minimum criteria, it is transferred to the Second National Market. The main indicator of the ISE, the ISE National-100 Index, is composed of 100 companies listed on the National Market.

As of the end of March 2010, there are 233 companies traded on the National Market.

### b. Collective Products Market

Collective Products Market was introduced in November 2009. Currently, investment trusts, real estate investment trusts and venture capital investment trusts are traded on this market. Covered warrants will also be traded on this market. Exchange traded funds are traded in a separate sub-market named "Fund Market". Market making system will be introduced in the Collective Products Market



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after warrants start to trade.

As of the end of March 2010, there are 57 collective investment instruments, 9 of which are ETFs, traded on this market.

#### **c. Second National Market**

The Second National Market was established for small and medium-sized companies. The Second National Market consists of companies transferred from the National Market and companies that fall short of the listing requirements on the National Market. The ISE Executive Council decides on the transfer and listing of a company in the relevant market. 22 companies are listed on the Second National Market as of the end of March 2010.

#### **d. New Economy Market**

The New Economy Market was established for technology companies active in telecommunications, information systems, electronics, internet, computer manufacturing, hardware, software and media. Currently, 2 companies are listed in the New Economy Market.

#### **e. Emerging Companies Market**

The ISE Emerging Companies Market (ECM) regulation was released in August 2009. The companies that are registered with the CMB but do not satisfy the whole set of listing requirements of Istanbul Stock Exchange are planned to be traded on the ECM. A market advisor (i.e. nominated advisor) mechanism will be introduced for this market. However as of March 2010, this market is not yet in operation.

#### **f. Watch List Companies Market**

The Watch List Companies Market is for companies under special surveillance and investigation due to extraordinary events. Extraordinary events cover unusual trades, incomplete, inconsistent and/or late disclosure of information to the public, failure to comply with the existing rules and regulations, and other situations that may

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lead to delisting. As of March 2010, 12 companies are in the watch list market.

#### **g. Wholesale Market**

The Wholesale Market provides a platform for large trades. Equities of listed or unlisted companies can be traded in this market. Pre-agreed trades, as well as block offers to the public are allowed. Block sale of privatized companies are also done in this market. Settlement can either be done through Takasbank or among the parties of the transaction upon their application and ISE's approval.

#### **h. Rights Coupon Market**

The Rights Coupon Market is a market for secondary trading of pre-emptive rights coupons during capital increases.

#### **i. Official Auction**

The courts, the court-bailiff's offices and other government agencies may request the sale of certain equities as a result of a legal case. The price is either set by these authorities or determined at an auction in this market.

#### **j. Primary Market**

Initial public offering of companies can be done in this market. Moreover, pre-emptive rights of the listed companies are also offered to the public in the Primary Market.

In the Primary Market, an ask order can only be given by the intermediary institution managing the public offering. Equities bought by the members cannot be resold in this market.

#### **k. Trading**

ISE has been fully computerized since 1994. Prices are determined on a multiple price-continuous auction method. The computerized system automatically matches buy and sell orders on a price and

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time priority basis.

Trading Hours at ISE Stock Market		
National Market	Opening Auction	09:30-09:50
Collective Products Market	I. Session	09:50-12:30
Second National Market	Lunch Break	12:30-14:00
New Economy Market	Opening Auction	14:00-14:20
Fund Market	II. Session	14:20-17:30
Primary Market		
Wholesale Market		11:00-12:00
Official Auction Market		
Watch List Companies Market		14:00-15:00
Rights Coupon Market	Relevant Market's Trading Hour	

Traders enter the orders via their workstations located at the ISE or in their offices. It is a blind order system with counterparties identified only after matching.

Equity trading is done in two separate sessions, first session in the morning and second in the afternoon. The opening auction is a classic single-price auction. Orders are entered into the trading system during the predefined time interval without matching. At the end of the order-entry period, opening prices are determined and orders are matched. The opening auction, previously carried out only at the first trading session of the ISE Stock Market, was also introduced for the second trading session in November 2009. Besides, the second session's trading hours were extended by 30 minutes in September 2009.

Unit of trading (lot) is the minimum quantity by which a stock, a rights coupon or an ETF can be traded. 1 lot of a stock represents 1 share (TL 1 at par value), 1 lot of rights coupon represents 1 coupon (the rights coupon attached to a stock of TL 1 at par value). In the ETF Market, 1 lot size is 1 certificate with a nominal value of TL 1.

## I. Settlement

The settlement of equities and cash is done on T+2 by Takasbank, through delivery-versus-payment (DVP) system. The securities settlement operations are carried out via Takasbank Settlement Pool Account with the Central Registry Agency (CRA). CRA and Takasbank systems are fully interlinked in real time, so securities transfers are

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reflected in the CRA instantaneously. Settlement is realized along with the details transferred from the CRA.

The custody accounts are held with the CRA. Intermediaries have a settlement pool account besides their own portfolio account and client sub-accounts. The cash accounts are held at Takasbank.

At the end of each trading day, ISE transmits details of all transactions to Takasbank. Takasbank multilaterally nets the settlement positions, determines the obligations of each broker in each security, and calculates their net cash position.

The net settlement position on client basis is transmitted to CRA on the trade day (T). Details of netting are available to brokers electronically on T, showing also settlement amounts due. At the end of the day, the securities of the delivering clients are blocked automatically by the CRA for settlement purposes.

On T+1, net settlement records that are checked by the CRA are made available to brokers electronically.

On T+2, the securities of the delivering clients are transferred from the blocked settlement account to the settlement pool account of the broker within the CRA system. Securities are transferred to client sub-accounts by the CRA.

Brokers are expected to fulfil their cash obligations through their cash accounts at Takasbank from 09:00 to 16:00 for equity settlements.

For cash settlement dues, brokers may,

- transfer funds from their accounts at other banks;
- use same day receivables from the ISE Bonds and Bills Market;
- use same day receivables from the Takasbank Money Market;
- borrow from the ISE repo market with same day value date;
- borrow from the Takasbank Money Market with same day value date.

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If the amount is still not covered, the brokerage firm defaults. Default procedures are explained in the next section. Firms generally charge penalty interest from their clients for failed settlement dues.

However, equity settlement is different. If, on the settlement date, the client is unable to deliver the equities s/he sold, the broker may;

- borrow the equities from the Securities Lending/Borrowing Market (which is explained on the following pages);
- borrow the equities from another client with his/her written consent;
- borrow the equities in the OTC market from another brokerage firm (the equity holdings of brokerage firms are available through data vendors' screens);
- borrow the equities from foreign institutions.

Settlement procedures are same for the Collective Products Market.

### **m. Failed Trades and Default Procedures**

If a party fails to fulfil its settlement obligation, ISE charges a default penalty based on overnight interest rates.

If default is covered on T+2 but after 16:00, then the highest of ISE Repo/Reverse Repo Market's or the Central Bank's overnight interest rate is applied.

However, if default is covered on T+3, relevant interest rate is multiplied by three and the penalty payment is calculated accordingly.

If default is not covered on T+3, Takasbank notifies the ISE, indicating due obligations (cash or securities), the brokerage firm's detailed list of securities and cash receivables pledged at Takasbank.

ISE holds a buy-in auction for the required securities or liquidates the brokerage firm's collateral. Auction's settlement is on the same day (i.e. T+3). If the receivables still do not cover obligations, then Takasbank Guarantee Funds are used.

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## n. Collateral for the Stock Market

All intermediary institutions must deposit the collateral determined for each market of the ISE in which they operate.

The collateral is deposited at the Central Bank or any public bank stipulating it to be at ISE's disposal.

The following are accepted as collateral:

- Cash (TL or foreign currency);
- Treasury bills and government bonds;
- An irrevocable and unconditional bank letter of guarantee. The amount of the guarantee is determined by the ISE for each brokerage firm. The issuer of the guarantee letter could be a foreign or a domestic bank, branches of foreign banks in Turkey and Islamic banks. However, the issuer should not have any affiliation with the brokerage firm.

The stock market collateral is calculated once in every quarter and is the sum of the following:

**Fixed Collateral:** The fixed amount is TL 500.

**Proportional Collateral:** 5% of the average daily equity trading volume in the last 3 months.

**Supplementary Collateral:** 10% of the total amount of the defaults that exceed TL 10,000 within the last 3 months.

**Odd-Lot Collateral:** The TL 50,000 should be deposited only by the members executing odd-lot transactions (Off-Exchange).

A new brokerage firm pledges only the average collateral, which is the sum of fixed and proportional collateral assigned by the ISE.

## 2. Bonds & Bills Market

There are two sub-markets within the Bonds & Bills Market; Purchases & Sales and Repo/Reverse Repo. Government bonds & Treasury bills are traded in this market. Corporate bonds are also

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traded, but the volumes are negligible. Banks and brokerage firms are allowed to operate in the Bonds & Bills Market.

#### **a. Purchases and Sales Market**

In the Purchases and Sales Market, the value dates of orders vary from same day to 90 days. If the nominal value of an order is less than TL 100,000, it is considered as a small order. Orders are given in multiples of TL 100,000 up to TL 5,000,000 nominal. Small orders must be in multiples of TL 1,000 up to TL 99,000 nominal. All orders can be matched with several counter orders, i.e. splitting is possible.

All members can download their trade books from the ISE web site or have them sent to their pre-registered e-mails at the end of each trading session. Members can also access their trade books at any time through their terminals.

Price, yield, volume information of best orders, details of the last transaction and a summary of total transactions excluding the trading parties are displayed on terminals and disseminated real-time.

#### **b. Repo/Reverse Repo Market**

In the Repo/Reverse Repo Market, the securities are safe kept on behalf of the participant involved in reverse repo transaction, in a segregated account. Securities are marked-to-market daily, during the repo period. Margin calls are made if necessary.

The "beginning value date" of orders varies from zero to seven days. If the nominal value of a repo/reverse repo order is less than TL 500,000, it is considered as a small order. Orders are given in multiples of TL 500,000 up to TL 10,000,000. Small orders must be in multiples of TL 1,000 up to TL 499,000. All orders can be matched with several counter orders.

#### **c. Over the Counter Market**

All transactions in the OTC Market, which take place among banks,

brokerage houses, individual and institutional investors, are agreed upon on the telephone or through systems such as Reuters Dealing. Transactions are settled through banks' accounts at the Central Bank or brokerage firms' accounts at Takasbank. Unless otherwise agreed by the parties, the settlement date is the trade day. OTC market transactions must be registered at the Istanbul Stock Exchange.

#### d. Trading

The Central Bank, banks and brokerage firms that have the necessary licenses may trade in the market. A computerized order matching and reporting system is in place in both the Purchases and Sales Market and the Repo/Reverse Repo Market. Members may enter their orders via terminals in their own offices. Orders are matched according to price and time priorities. Both the Purchases and Sales Market and the Repo/Reverse Repo Market operate on a multiple price-continuous auction system. Trading hours are presented in the table below.

Trading Hours at ISE Bonds & Bills Market		
Purchases and Sales Market	Same day value date trades	09:30-12:00 13:00-14:00
	Future value date trades	09:30-12:00 13:00-17:00
Repo/Reverse Repo Market	Same day beginning value date	09:30-12:00 13:00-14:00
	Future beginning value dates	09:30-12:00 13:00-17:00

#### e. Settlement

Clearing and settlement is handled by Takasbank. The settlement date for transactions is T+0, unless otherwise agreed between the parties.

The settlement of government debt securities traded in the organized and OTC markets are done through the Electronic Securities Transfer System operated by the Central Bank. Takasbank has a securities account with the CBRT in order to facilitate the settlement of government debt securities.



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After a trade, the ISE issues confirmations to both parties and to Takasbank. Takasbank multilaterally nets all trades for each ISE member for each security traded and for cash. Netting results are reported to the members electronically on trade day. Only trades done before 14:00 hrs can be settled on the same day.

Trading members are expected to fulfil their cash obligations by using their cash accounts with Takasbank for the Bonds and Bills Market settlements by 16:30 hrs. They can also transfer cash from their other accounts at Takasbank, from other banks using the CBRT's Electronic Fund Transfer (EFT) system, use same day receivables from the ISE Stock Market or the Takasbank Money Market.

#### **f. Collateral for the Bonds and Bills Market**

Members (banks and brokerage firms) are required to keep collateral in order to trade in the Bonds & Bills Market. Assets that are accepted as collateral are as follows:

- Cash Collateral (TL, US\$, € and gold deposits),
- Bonds and Bills,
- Bank Letters of Credit. The issuer of the guarantee letter could be foreign or domestic banks, branches of foreign banks in Turkey or Islamic banks. However, the issuer should not have any affiliation with the brokerage firm.

Haircuts are applied, varying according to the nature of the collateral. Bank Letter of Credit can not exceed 50% of total collateral.

The amount of collateral depends on the trading limit of the member firm. Trading limits are determined by the Istanbul Stock Exchange. Members cannot exceed their trading limits during a session, unless their trades are settled.

#### **g. Trading Limits**

The main criteria used in determining trading limits are the member's shareholders' equity and the fixed income portfolio of the

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mutual funds it owns or manages.

The maximum trading volume (gross limit) is calculated as follows:  
Shareholder's equity x 15 + Size of fixed income portfolio of mutual funds founded or managed.

Gross limit is the maximum amount the intermediary can trade during the day, which roughly equals the latest shareholders' equity multiplied by 15. It could be increased to three times that amount, if additional collateral conditions are met.

Once the gross limit is determined, a net limit is assigned to the member by taking into account its average daily trading volume and its settlement default history. After the net limit is set and approved by the ISE Executive Council, the member firm provides the necessary collateral and uses its net limit. The required collateral is 5% of the net limit.

As an example to clarify the mechanics of this process: assume that the brokerage firm's shareholders' equity is US\$ 1 million. Thus, its gross limit is US\$ 15 million. Also assume that the brokerage firm manages mutual funds of US\$ 1.5 million, of which US\$ 1 million is in fixed income and the remaining US\$ 0.5 million in equities. Hence, the final gross limit is US\$ 16 million. However, the ISE may determine the firm's net limit as US\$ 15 million. If the company wants to use its limit to the full, 5% of this amount, US\$ 750,000, should be pledged as collateral. However, if the company prefers to pledge US\$ 500,000 as collateral, then its net trading limit is set as US\$ 10 million (=US\$ 500,000/5%).

Trading limits can be increased by depositing excess collateral. Each unit of collateral grants 20 units of trading limit (i.e. 5% ratio). That is, if US\$ 1 million is deposited as excess collateral, an additional US\$ 20 million can be traded.

If, under special circumstances, the company wants to exceed its net limit or even gross limit, it could do so by collateralizing the excess amount in full.

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Continuing with the example given above: assume that the firm is willing to trade US\$ 20 millions' worth of bonds on a given day. Its net limit is US\$ 15 million and gross limit is US\$ 16 million. It meets the collateral requirements in full, i.e. US\$ 750,000 required by its net limit. In order to increase its net limit to US\$ 20 million, the firm has to deposit additional collateral of US\$ 5 million, i.e. the difference between the trading value and the net limit.

### **3. Foreign Securities Market**

Listed Turkish sovereign eurobonds are being traded at the International Bonds sub-market since April 2007.

#### **a. Trading**

The Market is operating on a multiple price-continuous auction trading system. The system provides fully automated, remote-access, electronic order matching and reporting.

Order matching is based on price and time priorities. Members are subsequently informed about the executed transactions. Information on price and volume of best orders, details of the last transaction and a summary of all transactions are disseminated real time.

Orders are based on a "100" face value, on the relevant currency of the Eurobond. Value date of the orders can be between 3 (T+3) and 15 (T+15) days.

Transactions take place between 09:30-12:00 and 13:00-17:00 hours.

All ISE members authorized to operate in the Bonds and Bills Sales and Purchases Market are eligible to operate in the Foreign Securities Market. Members do not have to deposit any extra collateral, since their transactions are evaluated within trading limits for the Bonds and Bills Market.

#### **b. Settlement**

Takasbank handles cash and security clearing and settlement of eurobonds, at the value date, via its international clearing agents.

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Takasbank's international clearing agents are Citibank for cash and Euroclear for securities. Settlement currency is the currency of the relevant eurobond. Netted amounts are settled.

## 4. Indices

### a. Equity Indices

Until the end of 1996, ISE used to compute only the ISE-100, Financial and Industrial indices. As of 1997, sector and sub-sector indices began to be calculated. All equity indices are calculated as price and total return indices. Price indices are free float capitalization weighted.

ISE price indices are computed throughout the trading session every 15 seconds, while the return indices are calculated and announced at the end of the session only. The ISE National-100 Index is the main indicator of the market.

Some of the basic indices are explained below:

**ISE National-100** has been calculated since the inception of the ISE. It comprises of the 100 largest and most liquid companies listed on the National Market. Constituents are reviewed quarterly. ISE National-100 Index contains **ISE National-50** and **ISE National-30** Index companies.

**ISE National-All Shares Index** comprises of all National Market companies except investment trusts.

**ISE Investment Trusts Index** comprises of investment trusts traded on the National Market.

**ISE Second National Market Index** comprises of all companies traded on the Second National Market.

**ISE New Economy Market Index** comprises of all companies traded in the New Economy Market.

**ISE Corporate Governance Index** was launched in 2005. Index

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comprises of companies with a corporate governance rating of at least 6 out of 10. Ratings are assigned by independent rating agencies authorized by the Capital Markets Board. As of March 2010, there are 25 companies in this index.

**ISE City Indices** were launched in 2009. These indices comprise of companies whose main production or operating centres are in the same city. As of March 2010, City Indices are calculated for 9 major cities in Turkey.

**Greece and Turkey 30 (GT-30) index** was created in 2009. The index is calculated by STOXX, a global index provider, and is composed of 15 largest companies from Athens Stock Exchange and ISE, each. Price and return indexes are available for GT-30 indices in TL and € terms.

Sector and sub-sector indices are composed of National Market companies, excluding investment trusts. ISE also calculates all indices on US dollar basis and the ISE National-100 on Euro basis.

#### **b. Bonds and Bills Indices**

Government Debt Securities (GDS) indices are calculated on each trading day from the weighted average prices of the discounted securities traded on the Purchases and Sales Market between 9:30-12:00 and 13:00-14:00. They are calculated real time, following any trade in these securities. The government securities, which were not traded on the previous or the current day, are not used in the index calculations. Thus, the number of securities used in the indices can vary.

GDS indices are divided into two main groups; Price/Performance Indices and Portfolio Performance Indices.

The **Price Index** is an indicator reflecting the price fluctuations of Treasury bills or government bonds due to interest rate changes, provided that the maturity term remains constant. The index is calculated with five different maturities of 91, 182, 273, 365 and 456 days. In addition, a composite index is calculated by weighting the

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relevant maturities with issue sizes. Maturity term is kept constant, in order to reflect the effect of the interest rate changes on the price index.

The **Performance Index**, on the other hand, is an indicator of yield. It reflects the price changes of the bonds/bills (with the above mentioned maturities), due to interest rate fluctuations and as the time to maturity diminishes.

Since price/performance indices are designed to reflect the changes in the yield curve, they are calculated only once at the end of each trading day.

**Portfolio Performance Indices**, on the other hand, take into account the intra-day transactions on a real time basis. These indices are equally weighted (EQ) or market value (MV) weighted. There are 7 portfolio performance indices calculated on the ISE market.

Equally weighted indices are **EQ short-term index** (contains bonds and bills with less than 180 days to maturity), **EQ long-term index** (contains bonds and bills with more than 180 days to maturity) and **EQ composite index** (contains discounted bonds and bills traded on the market).

Market value weighted indices are also calculated with the same classification as **MV short-term index**, **MV long-term index** and **MV composite index**

The **Repo Index**, reflects the average daily yield of overnight repo transactions. The rate used for index calculations is the volume weighted average rate of overnight transactions in the Repo-Reverse Repo Market.

## **5. Initial Public Offerings**

Public offering procedures and disclosure requirements of the public companies are regulated by the Capital Markets Board. According to the Capital Markets Law, public companies are defined as "joint stock corporations whose shares are offered to the public or which are

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considered to have been offered to the public". If the number of shareholders exceeds 250, the shares of a joint stock company are considered to have been offered to the public and these corporations are subject to the Capital Markets Law.

Shares to be offered to the public are required to be registered with the CMB. The related registration processes and sales methods of shares are defined in;

- Communiqué Serial:I No:26 on Principles Regarding Registration with the Capital Markets Board and Sale of Shares,
- Communiqué Serial:VIII No:22 on Principles Regarding Sales Methods of Capital Market Instruments through Public Offering.

#### **a. Public Offering of Equities**

Prerequisites for public offering of equities are:

- The capital of the company should be all paid-in;
- Shares should be freely transferable;
- The free float rate should be at least
  - 25%, if the paid-in capital of the company is equal or less than TL 16,250,000.
  - 15%, if the paid-in capital of the company is between TL 16,250,000 and TL 81,000,000,
  - 5% if the paid-in capital of the company is equal or more than TL 81,000,000.

These are the thresholds for 2010, and they are revalued each year.

Two methods can be used for the offering: underwriting (book building) and best effort (offering on the stock exchange). In underwritten offerings, the demands of investors are collected through "fixed price" or "price bids". In best effort, shares may be offered to the public on the ISE Primary Market.

Shares sold through public offering must be fully paid in cash. The CMB shall require from the shareholders or intermediary institutions a guarantee that unsold shares will be purchased and paid completely.

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## **b. Registration with the Capital Markets Board**

The main document of public offering is the prospectus. Other fundamental documents are the financial statements and the independent auditors' reports. Audited financial statements in line with the CMB's accounting standards (i.e. IFRS) for the last 3 financial years and the latest interim financial statements, if available, should be provided.

Applications to the CMB are evaluated through consideration of whether or not the prospectus and circulars truly and fully reflect the information on the company and shares to be offered. If the information is found to be insufficient, not reflective of the truth or likely to abuse the public's good faith, the CMB may refrain from registering the company by providing a formal explanation. Otherwise, the shares are registered.

Following registration with the CMB, the prospectus must be registered at the Trade Registry and published in the Trade Registry Gazette within 15 days. The public will be invited by a circular to purchase the shares. Circulars for investors should be published in 15 days, following the registration of the prospectus.

The stocks of companies registered with the CMB but not listed on the ISE can also be traded without going through the usual public offering procedures. With the approval of the Executive Council of the Exchange, these companies, which have been registered with the CMB for the last 3 years, can be traded on the Second National Market. These companies have to apply to the Central Registry Agency to dematerialise their stocks. If they fulfil the National Market Listing Criteria, they can be traded on this market with the decision of Executive Council of the Exchange. The related regulation was issued in 2008, and there are 2 companies traded without public offering in ISE as of March 2009.

## **c. Cost of Public Offerings**

The main cost components for the issuers are as follows.

**Fees Paid to Brokerage Firms:** These fees are freely negotiable



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and depend on the services offered and the size of the offering.

**Fees Paid to the Capital Markets Board:** CMB's registration fee is 0.2% of the total offering size.

**Fees Paid to the Istanbul Stock Exchange:** Listing fee for the National and Second National Market is 0.1% of the nominal value of the company's paid-in capital. Registration fee for the New Economy Market is half of that at 0.05%.

Furthermore, until November 2009 there was an advertisement fee (of TL 3,900 for the year 2009) to publish circulars of an offering on the ISE Daily Bulletin. However, these circulars have started to be published in the "Automated Disclosure Platform". Thus, this fee has been cancelled by 2010.

**Fees Paid to CRA:** Central Registry Agency charges an initial membership fee which is equal to 0.1% of the issued/paid-in capital of the publicly-traded companies.

**Other Costs:** In addition to the above, the issuer generally bears the audit, due diligence, marketing and advertising expenses.

## **6. Listing Requirements**

### **a. Equities**

The following conditions and documents are required to be provided for listing on the ISE:

- The audited financial statements for the last three years and the latest quarter if applicable;
- The company must have made a profit-before-tax for the last two years. However, if the offering size exceeds TL 45 million or if the free-float rate is at least 35%, only last year's profitability is required;
- The shareholders' equity must be at least TL 16 million;
- Market capitalization of the offered shares must be at least TL 24 million and free-float must be at least 25%. If free-float is below 25%, offering size must be at least TL 45 million;
- The company's Articles of Incorporation must not include

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- any provisions restricting the transfer or circulation of the securities to be traded on the Exchange or preventing the shareholders from exercising their rights;
  - There should be no open or pending legal disputes of significant size which might affect the company's production and/or activities; and
  - The company must not have suspended its activities for more than three months during the previous year.

The annual listing fee in ISE is one fourth of the initial listing fee. For the companies that are included in ISE Corporate Governance Index, the annual listing fee is applied as 50% of the tariff for the first two years, 75% of the tariff for the following two years and 90% of the tariff for the subsequent years.

#### **b. Debt Securities**

There are two basic requirements to list debt instruments at the ISE. First, the nominal value of the issue must be at least TL 850,000. Second, the entire amount of the issue must be offered to the public. Also, there are other conditions and documents required from the issuer:

- At least three calendar years must have passed since the establishment of the company;
- The latest financial statements should have been independently audited;
- The company must have a profit-before-tax for the last two years. If the company is already listed with free-float of at least a 25%, only the previous year's profitability is required;
- The shareholders' equity of the company must be at least TL 1.6 million; and
- The company's Articles of Incorporation must not include any provisions restricting the transfer and circulation of the securities traded on the Exchange or preventing the shareholders from exercising their rights.

Furthermore, unlisted corporate bonds, which have been registered with the CMB can be traded on the ISE Bonds and Bills Market with the decision of the Executive Council. These securities must be sold

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entirely through public offering.

## **7. Delisting**

Securities may be delisted upon the decision of the Executive Council through consultation with the Listing Committee, for the cases listed below:

- Negative shareholders' equity;
- Non-compliance with the rules and regulations, especially violation of disclosure and insider trading regulations;
- Filing for bankruptcy or suspending operations for more than three months;
- Dissolution of the company;
- Company facing difficulties in paying its debts or in financial distress;
- Company not fulfilling the fee obligations of the Exchange;
- Cancellation or invalidation of any permits, licenses or agreements of the company, crucial to its operations;
- An independent auditor gives a negative opinion or refrains from giving an opinion for the last two financial periods;
- Loss of 2/3 of the operational capacity due to any disaster such as fire, war, terrorism, etc.;
- Defaulting on debt securities.

However, voluntary delisting is not easy. According to ISE rules, companies may apply for delisting, but "the ISE Executive Council may require the company to take some precautions prior to delisting, in order to prevent investors' losses". In practice, voluntary delistings have not happened so far, even in cases where the free float has fallen below 0.5%. However, currently there is work in progress to define and ease voluntary delisting rules.

## **D. Automated Disclosure Platform**

ISE introduced the "Automated Disclosure Platform" as of June 1, 2009. The Platform is an electronic system enabling the companies traded on the ISE to release any information required to be publicly disclosed, using internet and electronic signature technologies.

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Accordingly, the investors and parties interested in the capital markets can access the company disclosures through internet at [www.kap.gov.tr](http://www.kap.gov.tr). The system allows all users to have access to both the current and the past disclosures of a traded company, as well as other announcements and up-to-date information.

For the time being, the website serves only in Turkish. However, work on the construction of a website in English is continued.

## **IV. TURKISH DERIVATIVES EXCHANGE**

Turkish Derivatives Exchange Inc. (TurkDex) was established in July 2002 as a private company in Izmir. It became operational in February 2005, as the only derivatives exchange in Turkey.

### **A. Organization and Shareholder Structure**

TurkDex has 11 shareholders as shown on the table on the following page. The 10-member Board of Directors is composed of:

- 1 representative from the Istanbul Stock Exchange,
- 2 representatives from the Union of Chambers and Commodity Exchanges of Turkey,
- 2 representatives from TSPAKB,
- 3 representatives from bank and brokerage firm shareholders,
- 1 representative from the Izmir Mercantile Exchange, and
- the CEO of TurkDex

<b>Shareholder Structure of TurkDex</b>	
Union of Chambers and Commodity Exchanges of Turkey	25%
Istanbul Stock Exchange	18%
Izmir Mercantile Exchange	17%
Yapi ve Kredi Bank	6%
Akbank	6%
Vakif Investment Securities	6%
Garanti Bank	6%
Is Investment Securities	6%
TSPAKB	6%
Takasbank	3%
Industrial Development Bank of Turkey	1%

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## **B. Functions**

As of March 2010, only futures contracts are traded at TurkDex. Current contracts are as follows:

1. Currency futures (TL/US\$ and TL/€),
2. Interest rate futures (benchmark bonds),
3. Equity index futures (ISE-30 and ISE-100 indices),
4. Commodity futures (cotton, wheat, gold).

TurkDex operates on an entirely electronic trading platform.

## **C. Members and Clearing House**

Intermediaries (banks and brokerage firms) willing to trade derivatives have to be authorized by the Capital Markets Board. Capital adequacy rules are also enforced by the CMB. As of March 2010, TurkDex has 91 members. All trading members are also clearing members.

All clearing and settlement activities of TurkDex are handled by Takasbank. Takasbank is the central counterparty for trades at TurkDex. The Guarantee Fund managed by Takasbank also covers settlement defaults of TurkDex transactions.

## **D. Trading**

Trading is done on a multiple price, continuous auction method. The computerized system automatically matches orders based on price and time priority. TurkDex system has an online, real-time connection with Takasbank, which allows the monitoring of all orders, transactions, margins and positions on a client account basis.

Orders can be sent either via the wide area network or through the TurkDex Trading Room. Orders are entered on a client account basis. The system controls the adequacy of the margin at the moment of trade through its online connection with Takasbank. Order entry is possible without the stipulated margin, however it is not executed if there is not sufficient collateral.

Trading Hours at TurkDex	
Non-trading Period	08:45-09:15
Session	09:15-17:35
Announcement of Settlement Prices and Margin Calls	17:45
Source: TurkDex	

TurkDex is open from Monday to Friday and trading hours are given in the table above. The trading hours of TurkDex changed in 2009. The lunch break was lifted and there is a single session since October 2009, held between 9:15 and 17:35.

In the non-trading period, the system is open. However, order entry or execution is not possible. In this period, member representatives may log on to the system, execute queries and may aggregate order files to be sent to the system after the start of a normal session. Furthermore, "valid till cancellation" orders or "orders with dates" may be cancelled or modified.

Last 10 minutes of the normal session is called the "closing period". Settlement prices for the regular trading day are announced at 17:45. Margin calls are announced on the Takasbank Derivatives System (TVIS) screen of the members.

## E. Margining

Margin amounts are deposited at Takasbank on the client's account. Trade margins are categorized into three groups:

**Initial Margin:** The margin required to take any open position is called the initial margin. Initial margin for each security is specified in the relevant contract. Lower margin requirements may be set for calendar spread positions.

**Maintenance Margin:** It is the minimum margin level allowed to be carried due to losses incurred on positions or depreciation of the non-cash collateral. If trade margin drops below the maintenance margin, Takasbank places a margin call.

**Extraordinary Margin:** The Exchange may request additional margins during extraordinary circumstances.

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Assets accepted as margin collateral are:

- Turkish Lira (TL),
- Foreign currency (USD, EUR),
- Foreign currency indexed bonds,
- Government bonds and Treasury bills,
- Equities (included in ISE-30 Index), and
- Mutual funds.

At least 30% of the total collateral must be deposited in cash. All non-cash collateral is subject to haircuts determined by Takasbank. Collateral are marked-to-market daily by Takasbank.

## **F. Clearing**

The clearing and settlement of transactions are executed on a cash settlement basis, except for physically delivered futures contracts. In December 2009, TurkDex introduced physical delivery for currency contracts in addition to current contracts with cash settlement.

Members should fulfil their margin requirements by 14:30 the following day (T+1).

Takasbank acts as the central counterparty and guarantees the settlement of transactions. But the guarantee is limited to the collateral taken from the members and the size of the guarantee fund.

Trades are executed on a client account basis, which means that margins are also monitored on account basis. However, although the margins are followed on account basis, clearing members are responsible for the margin calls.

Everyday, after the announcement of daily settlement prices of contracts by TurkDex, Takasbank starts marking-to-market on account basis. If the collateral falls below the maintenance margin, a margin call is announced by Takasbank. If the collateral is above the maintenance margin in an account, but the cash margin is negative after the losses are deducted from the cash collateral, the relevant member shall be required to pay for the negative balance (bring the

cash margin balance up to "0") by a margin call. While daily losses are deducted from the cash collateral on the same day (T+0), profits are added to the cash collateral on the following day (T+1).

<b>Clearing Period at TurkDex</b>	
Clearing Period-cash settlement	17:45-14:30 (T+1)
Clearing Period-physical delivery	17:45-16:30 (T+2)
Start of Default-cash settlement	14:30 (T+1)
Start of Default-physical delivery	16:30 (T+2)
Source: TurkDex	

Clearing period for "cash settlement" is between 17:45 on the transaction day (T+0) and 14:30 on the following day (T+1). Clearing period for obligations arising from "physical delivery" of futures contracts starts at 17:45 on the transaction day (T+0) and ends at 16:30 on T+2 day.

The position transfer process (give-up) became effective as of January 2010.

## **G. Contract Specifications**

The following futures contracts are traded at TurkDex:

1. Currency futures (TL/US\$ and TL/€),
2. Interest rate futures (benchmark bonds),
3. Equity index futures (ISE-30 and ISE-100 indices), and
4. Commodity futures (cotton, wheat, gold).

Summary contract specifications are provided in the tables below.

<b>Currency Futures</b>		
Contract Name	TLUSDollar	TLEuro
Underlying Asset	TL/USDollar	TL/Euro
Contract Size	1,000 US Dollar	1,000 Euro
Price Quotation	Sample quote = 1.4155 TL or 1.8870 TL	
Tick Size	0.0005 = 0.5 TL	
Contract Months	3 nearest months out of February, April, June, August, October and December	
Final Settlement Day	Last business day of the contract month	
Source: TurkDex		



<b>Index Futures</b>		
Contract Name	ISE 100	ISE 30
Underlying Asset	ISE National-100 stock price index	ISE National-30 stock price index
Contract Size	10% of the index in TL	
Price Quotation	0.1% of index with three decimals	
Tick Size	0.025 (25 Index points)	
Contract Months	Every month throughout the year	3 nearest months out of February, April, June, October and December
Final Settlement Day	Last business day of each contract month	
Source: TurkDex		

<b>Interest Rate Futures</b>	
Contract Name	T-Benchmark
Underlying Asset	A discounted benchmark T-bill chosen by TurkDEX.
Contract Size	10,000 TL (100 T-Bills each having a face value of 100 TL)
Price Quotation	Quoted by per 100 TL face value (82.390 TL)
Tick Size	0.010 = 1 TL
Contract Months	The first and the third month after January, April, July and October when the Turkish Treasury is issuing longer maturities.
Final Settlement Day	Last business day of the contract month
Source: TurkDex	

<b>Commodity Futures</b>			
Contract Name	Aegeancotton	Anatolian Red Wheat	Gold
Underlying Asset	Aegean Standard 1 Cotton	Anatolian Red Hard Wheat	995/1000 fineness refined gold
Contract Size	1 tone	5 tonnes	100 grams
Price Quotation	Per kg with three digits (1.825 or 1.830 TL)	Per kg with four digits (0.3865 or 0.3870 TL)	Per gram with three digits (22.680 TL)
Tick Size	0.005 = 5 TL	0.0005 = 2.5 TL	0.005 = 0.5 TL
Contract Months	March, May, July, October and December	March, May, July, September and December	3 nearest calendar months from February, April, June, August, October and December
Final Settlement Day	Last business day of the contract month		
Source: TurkDex			

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## **V. ISTANBUL GOLD EXCHANGE**

The Istanbul Gold Exchange (IGE) became operational in July 1995. The IGE has two main markets:

- Precious Metals Market (spot transactions for gold, non standard gold, silver and platinum)
- Precious Metals Lending Market (for gold).

Silver and platinum trading started in December 1998. Non-standard gold transactions within the Precious Metals Market were launched in October 1999. This enables scrap gold trading in a secure environment by eliminating counterparty risk. It also removes assaying concerns regarding non-standard bullions. The Precious Metals Lending Market started operations in March 2000.

Futures and Options Market, which was launched in August 1997 at the IGE, was closed on January 31, 2006 as gold futures contracts were introduced at TurkDex on February 1, 2006.

### **A. Organization Structure**

The statutory bodies of the Istanbul Gold Exchange are the General Assembly, Board of Directors, Board of Auditors and Committees. The General Assembly of Exchange consists of Exchange members and is the highest decision-making body.

The Board of Directors consists of four members elected by the General Assembly and the Exchange President is assigned by the government. The President is also the Chairman of the Executive Board. Similar to the Istanbul Stock Exchange, IGE has a mutual structure.

### **B. Functions**

The main functions of the IGE are to:

- Launch markets for the trading of precious metals, definition and standards of which are determined by the Undersecretariat of Treasury;
- Launch markets for the trading of precious metal-based

- 
- capital market instruments;
  - Ensure fair, reliable and stable trading;
  - Disseminate market information to the public; and
  - Sanction IGE members violating the IGE regulations.

## **VI. TAKASBANK (ISE Settlement and Custody Bank)**

Takasbank is the "Clearing and Settlement Center for the Istanbul Stock Exchange", the "Clearing House for the Turkish Derivatives Exchange" and the "National Numbering Agency of Turkey". Apart from these functions, Takasbank operates the money market and the securities lending & borrowing market, provides banking services including cash loans to members, and other services such as cross-border settlement and custody.

Takasbank was established in 1988 as a department of the ISE. It originally provided settlement services for securities traded on the ISE. In January 1992, a separate company was established, which took over the operations of the department. This company was renamed Takasbank in 1996.

Established under the Turkish Banking Law and incorporated as a non-deposit taking bank, Takasbank is a specialized bank dedicated to securities services in Turkey.

Takasbank is recognized by the UK FSA as an "Approved Depository" and an "Approved Bank". It also complies with the "Eligible Foreign Custodian" definition of the US SEC.

Clearing and settlement rules are specified by the ISE, in accordance with the general rules and regulations of the CMB. Due to Takasbank's status as a bank, the Banking Regulation and Supervision Authority and the Central Bank of Turkey also regulate Takasbank.

Settlement of transactions is done through Delivery Versus Payment, with daily netting.

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## A. Organization and Shareholder Structure

Takasbank is owned by the ISE and 85 of its members. According to the Articles of Incorporation, no single shareholder can hold more than a 5% stake, except for the ISE. Current shareholder structure of Takasbank is as follows:

Shareholder Structure of Takasbank	
Istanbul Stock Exchange	32.6%
19 Banks	34.5%
66 Brokerage Firms	32.9%

The Board of Directors is composed of 13 members. Composition of the Board is as follows:

- 5 representatives from the ISE,
- 6 representatives from ISE members (banks and brokerage houses),
- 1 representative from Capital Markets Board,
- President and CEO of Takasbank.

## B. Functions and Services

Main functions of Takasbank are as follows:

- Provides central clearing and settlement services for the organized markets of the ISE;
- Acts as the central counterparty and clearing house for the Turkish Derivatives Exchange;
- Operates the Takasbank Money Market, an OTC market where ISE members can lend and borrow funds;
- Operates the Securities Lending and Borrowing Market, where members can lend and borrow securities;
- Provides cash loan services for ISE members;
- Takasbank Electronic Transfer System (TETS) enables brokerage houses to transfer securities (government bonds and Treasury bills) and cash electronically, in connection with the Central Bank's "Electronic Fund Transfer" (EFT) and "Electronic Securities Transfer" systems; and
- As the National Numbering Agency of Turkey, Takasbank assigns International Securities Identification Numbers (ISIN) to the securities issued in Turkey.

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## **C. Takasbank Money Market**

Takasbank Money Market (TMM) started operations in 1996. All banks and brokerage firms, who are ISE members, may sign a Letter of Undertaking and start lending or borrowing in the market. Takasbank guarantees settlement.

### **1. Trading Limits**

Transactions take place between 10:00-12:00 and 13:00-15:30. Maturities range between 1 to 30 days, 45 days, 2 months and 3 months. Minimum trading amount is TL 5,000, with increments of TL 1,000. Order rate increments are in 0.05% and multiples.

Brokerage firms may call Takasbank and place their orders over the phone or may enter orders to the Takasbank terminals located in their offices.

Orders are matched through the Takasbank system, based on price-time priorities. Best bid-ask rates are published online, real time. Settlement is done by 16:00 each day.

### **2. Collateral**

The borrowing brokerage firm is requested to place 125% of the amount it would bid in the market. Collateral are marked-to-market, real-time. No collateral is requested from the lender.

The following assets are accepted as collateral:

- Cash (TL, FX),
- Letters of Guarantee (TL, FX),
- Treasury Bills and Government Bonds,
- Mutual Funds, and
- Equities.

A 25% haircut is applied for equities. The others are valued at market prices. If the total value of collateral falls below 115% of the outstanding borrowing of the brokerage firm, Takasbank makes a margin call and requests the amount be raised to 125%.

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## **D. Securities Lending and Borrowing Market**

Takasbank Securities Lending and Borrowing Market (Securities L/B Market) was established to facilitate short-selling and equity settlements. Only brokerage firms, allowed by the CMB, may operate in the market. They sign a Letter of Undertaking with Takasbank and start lending or borrowing securities. Takasbank does not guarantee the settlement. It only operates the market.

### **1. Trading**

Securities that may be lent or borrowed are equities in the ISE National Market and ETFs. The market value of the transaction is calculated by multiplying the weighted average price in the second session of the previous day and the number of securities to be borrowed/lent.

Prices are quoted as annual interest rates, which is also referred to as the commission rate. The commission rates are freely determined by the parties. Commission increments are in 0.01% (one basis points) and multiples.

Trading is done between 09:30-12:00 and 13:30-16:45. The maturity of the orders may be:

- between 1 and 7 days,
- 1, 2 and 3 weeks, or
- 1, 2, 3, 6, 9 and 12 months.

Brokerage firms may place their orders through Takasbank terminals located in their offices.

If a lending order is entered into the system, securities are transferred from the customer's account to the Takasbank's account at the Central Registry Agency. If a borrowing order is entered, the collateral is checked. The market value of a single order can not exceed TL 1.5 million.

Orders are matched through the Takasbank system based on price-time priorities. Best bid-ask rates are published online, real time. Settlement (security and cash transfer) is done at the time of the transaction. Repayments are done by 16:30 on maturity date.

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The financial rights arising from the securities (rights issues, stock splits and dividends) remain with the lender; however, the managerial rights (voting rights) are transferred to the borrower.

## **2. Collateral**

The borrower must have a marked-to-market collateral of at least 110% of the borrowed amount during the transaction. The maintenance collateral rate is 105% of the borrowed amount. If the collateral value falls below the maintenance rate, Takasbank makes a margin call to the broker.

The following are accepted as collateral:

- Cash (TL, FX),
- Letter of Guarantee (TL, FX),
- Treasury Bills and Government Bonds,
- Mutual Funds,
- Equities, ETFs, and
- Gold.

Haircuts are applied to equities, ETFs and mutual funds. The others are valued at market prices.

Borrowers may borrow up to the amount allowed by their collateral. No collateral is required for lenders.

## **E. Guarantee Fund**

The ISE has established a Guarantee Fund aiming to avoid delays and defaults in the settlement of transactions. The Fund is financed by the fines collected from ISE members with late settlement deliveries.

The Guarantee Fund, currently managed by Takasbank, provides the initial liquidity for the settlement process every day. At the end of a settlement, if all the parties fulfil their obligations, the fund is released in full. Otherwise, it is used to cover the default. Therefore, the Guarantee Fund is actually a temporary liquidity facility for the settlement process.

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## VII. THE CENTRAL REGISTRY AGENCY

The Central Registry Agency Inc. (CRA) is the only central depository for all dematerialized capital market instruments. It was established in 2001 as a private company. The communiqué about the terms and conditions for the registration of dematerialized capital market instruments was enacted in December 2002. The dematerialization process was completed in 2006 for equities and in 2007 for mutual funds and corporate bonds.

### A. Organization and Shareholder Structure

The shareholders of the CRA are as follows:

Shareholder Structure of CRA	
Takasbank	64.9%
Istanbul Stock Exchange	30.0%
TSPAKB	5.0%
Istanbul Gold Exchange	0.1%

The 7 member Board of Directors is composed of:

- 2 members from ISE,
- 2 members from Takasbank,
- 1 member from TSPAKB,
- Chairman, who is also the Vice Chairman of the Capital Markets Board, and
- General Manager.

The principles governing the duties, authority and operations of the CRA are defined in its Articles of Incorporation. The CRA must seek the approval of the CMB for any modifications to its Articles of Incorporation.

### B. Functions

Main functions of the CRA are to:

- Dematerialize and register capital market instruments and the rights attached, in electronic form, with respect to issuers, intermediary institutions and rights holders;
- Protect the integrity and consistency of records;



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- Ensure confidentiality of records;
  - Manage the Investors' Protection Fund (IPF);
  - Liquidate insolvent intermediary institutions when necessary on behalf of the IPF.

### **C. Investors' Protection Fund**

The Investors' Protection Fund was established in 2001 to cover the obligations to investors of bankrupt brokerage firms and banks, with respect to equity transactions. Receivables from trading other securities, such as government bonds, are not covered. The Fund also carries out the liquidation process of intermediaries.

For 2010, the Fund covers up to TL 59,147 of receivables per investor. All intermediaries have to make annual contributions to the Fund. Moreover, half of the administrative fines imposed by the CMB, ISE and TSPAKB are paid to the Fund.

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## KEY INSTITUTIONS IN THE CAPITAL MARKETS

### Capital Market Institutions

Capital Markets Board of Turkey	<a href="http://www.cmb.gov.tr">www.cmb.gov.tr</a>
Central Registry Agency	<a href="http://www.mkk.com.tr">www.mkk.com.tr</a>
Istanbul Gold Exchange	<a href="http://www.iab.gov.tr">www.iab.gov.tr</a>
Istanbul Stock Exchange	<a href="http://www.ise.org">www.ise.org</a>
Takasbank - Settlement and Custody Bank	<a href="http://www.takasbank.com.tr">www.takasbank.com.tr</a>
Turkish Derivatives Exchange	<a href="http://www.turkdex.org.tr">www.turkdex.org.tr</a>

### Public Institutions

Banking Regulation and Supervision Agency	<a href="http://www.bddk.org.tr">www.bddk.org.tr</a>
Central Bank of the Republic of Turkey	<a href="http://www.tcmb.gov.tr">www.tcmb.gov.tr</a>
Financial Crimes Investigation Board	<a href="http://www.masak.gov.tr">www.masak.gov.tr</a>
Undersecretariat of Treasury	<a href="http://www.treasury.gov.tr">www.treasury.gov.tr</a>

### Professional Associations

Association of Brokerage Firms' Managers	<a href="http://www.bakyd.org.tr">www.bakyd.org.tr</a>
Association of Publicly Traded Companies' Managers	<a href="http://www.koteder.org.tr">www.koteder.org.tr</a>
Association of Stock Market Investors	<a href="http://www.boryad.org">www.boryad.org</a>
Banks' Association of Turkey	<a href="http://www.tbb.org.tr">www.tbb.org.tr</a>
Corporate Governance Association of Turkey	<a href="http://www.tkyd.org">www.tkyd.org</a>
Participation Banks' Association of Turkey	<a href="http://www.tkbb.org.tr">www.tkbb.org.tr</a>
Investor Relations Association of Turkey	<a href="http://www.tuyid.org.tr">www.tuyid.org.tr</a>
Turkish Institutional Investment Managers' Association	<a href="http://www.kyd.org.tr">www.kyd.org.tr</a>

## TSPAKB MEMBERS

1	ABN AMRO BANK N.V. / İSTANBUL	<a href="http://www.abnamro.com.tr">www.abnamro.com.tr</a>
2	ACAR YATIRIM MENKUL DEĞERLER A.Ş.	<a href="http://www.acar.com.tr">www.acar.com.tr</a>
3	ADA MENKUL DEĞERLER A.Ş.	-
4	ADABANK A.Ş.	<a href="http://www.adabank.com.tr">www.adabank.com.tr</a>
5	AK YATIRIM MENKUL DEĞERLER A.Ş.	<a href="http://www.akyatirim.com.tr">www.akyatirim.com.tr</a>
6	AKBANK T.A.Ş.	<a href="http://www.akbank.com.tr">www.akbank.com.tr</a>
7	AKDENİZ MENKUL DEĞERLER TİCARETİ A.Ş.	<a href="http://www.akdenizmenkul.com.tr">www.akdenizmenkul.com.tr</a>
8	AKTİF YATIRIM BANKASI A.Ş.	<a href="http://www.calikbank.com.tr">www.calikbank.com.tr</a>
9	ALAN MENKUL DEĞERLER A.Ş.	<a href="http://www.alanyatirim.com.tr">www.alanyatirim.com.tr</a>
10	ALFA MENKUL DEĞERLER A.Ş.	<a href="http://www.alfa.com.tr">www.alfa.com.tr</a>
11	ALTAY YATIRIM MENKUL DEĞERLER A.Ş.	-
12	ALTERNATİF YATIRIM A.Ş.	<a href="http://www.ayatirim.com.tr">www.ayatirim.com.tr</a>
13	ALTERNATİFBANK A.Ş.	<a href="http://www.abank.com.tr">www.abank.com.tr</a>
14	ANADOLU YATIRIM MENKUL KIYMETLER A.Ş.	<a href="http://www.anadoluyatirim.com.tr">www.anadoluyatirim.com.tr</a>
15	ANADOLUBANK A.Ş.	<a href="http://www.anadolubank.com.tr">www.anadolubank.com.tr</a>
16	ARAP TÜRK BANKASI A.Ş.	<a href="http://www.arabturkbank.com">www.arabturkbank.com</a>
17	ARTI MENKUL KIYMETLER A.Ş.	-
18	ATA YATIRIM MENKUL KIYMETLER A.Ş.	<a href="http://www.atayatirim.com.tr">www.atayatirim.com.tr</a>
19	ATAONLINE MENKUL KIYMETLER A.Ş.	<a href="http://www.ataonline.com.tr">www.ataonline.com.tr</a>
20	AYBORSA MENKUL DEĞERLER TİCARETİ A.Ş.	<a href="http://www.ayborosa.com.tr">www.ayborosa.com.tr</a>
21	B.A.B. MENKUL DEĞERLER TİCARETİ A.Ş.	<a href="http://www.babmenkul.com.tr">www.babmenkul.com.tr</a>
22	BAHAR MENKUL DEĞERLER TİCARET A.Ş.	<a href="http://www.baharmenkul.com.tr">www.baharmenkul.com.tr</a>
23	BANKPOZİTİF KREDİ ve KALKINMA BANKASI A.Ş.	<a href="http://www.bankpozitif.com.tr">www.bankpozitif.com.tr</a>
24	BAŞKENT MENKUL DEĞERLER A.Ş.	<a href="http://www.baskentyatirim.com.tr">www.baskentyatirim.com.tr</a>
25	BGC PARTNERS MENKUL DEĞERLER A.Ş.	<a href="http://tr.bgcpartners.com">tr.bgcpartners.com</a>
26	BİRLEŞİK FON BANKASI A.Ş.	<a href="http://www.fonbank.com.tr">www.fonbank.com.tr</a>
27	BİZİM MENKUL DEĞERLER A.Ş.	<a href="http://www.bmd.com.tr">www.bmd.com.tr</a>
28	CAMIŞ MENKUL DEĞERLER A.Ş.	<a href="http://www.camisonline.com.tr">www.camisonline.com.tr</a>
29	CENSA MENKUL DEĞERLER A.Ş.	<a href="http://www.censamenkul.com.tr">www.censamenkul.com.tr</a>
30	CITIBANK A.Ş.	<a href="http://www.citibank.com.tr">www.citibank.com.tr</a>
31	CITI MENKUL DEĞERLER A.Ş.	<a href="http://www.citibank.com.tr">www.citibank.com.tr</a>
32	CREDIT AGRICOLE CHEUVREUX MEN. DEĞ. A.Ş.	<a href="http://www.cheuvreux.com">www.cheuvreux.com</a>
33	CREDIT AGRICOLE YATIRIM BANKASI TÜRK A.Ş.	<a href="http://www.ca-cib.com">www.ca-cib.com</a>
34	CREDIT SUISSE İSTANBUL MEN. DEĞ. A.Ş.	<a href="http://www.credit-suisse.com">www.credit-suisse.com</a>
35	DEĞER MENKUL DEĞERLER A.Ş.	<a href="http://www.degermenkul.com.tr">www.degermenkul.com.tr</a>
36	DEHA MENKUL KIYMETLER A.Ş.	<a href="http://www.dehamenkul.com">www.dehamenkul.com</a>
37	DELTA MENKUL DEĞERLER A.Ş.	<a href="http://www.deltamenkul.com.tr">www.deltamenkul.com.tr</a>

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38	DENİZ YATIRIM MENKUL KIYMETLER A.Ş.	www.denizyatirim.com
39	DENİZBANK A.Ş.	www.denizbank.com.tr
40	DENİZTÜREV MENKUL DEĞERLER A.Ş.	www.denizturev.com
41	DEUTSCHE BANK A.Ş.	www.deutschebank.com.tr
42	DEUTSCHE SECURITIES MENKUL DEĞERLER A.Ş.	www.deutschesecurities.com.tr
43	DİLER YATIRIM BANKASI A.Ş.	www.dilerbank.com.tr
44	DÜNYA MENKUL DEĞERLER A.Ş.	www.dunyamenkul.com.tr
45	ECZACIBAŞI MENKUL DEĞERLER A.Ş.	www.emdas.com
46	EFG İSTANBUL MENKUL DEĞERLER A.Ş.	www.efgistanbulsec.com
47	EGEMEN MENKUL KIYMETLER A.Ş.	www.egemen.com
48	EKİNCİLER YATIRIM MENKUL DEĞERLER A.Ş.	www.ekinest.com
49	EKSPRES YATIRIM MENKUL DEĞERLER A.Ş.	www.ekspresinvest.com.tr
50	ENTEZ MENKUL DEĞERLER TİCARETİ A.Ş.	www.entezmenkul.com.tr
51	ERSTE SECURITIES İSTANBUL MEN. DEĞ. A.Ş.	www.lehman.com.tr
52	ETİ YATIRIM A.Ş.	www.etiyatirim.com
53	EURO YATIRIM MENKUL DEĞERLER A.Ş.	www.euroyatirim.com.tr
54	EUROBANK TEKFEN A.Ş.	www.eurobanktefen.com
55	EVGİN MENKUL DEĞERLER TİCARET A.Ş.	www.evgin.com.tr
56	FİNANS YATIRIM MENKUL DEĞERLER A.Ş.	www.finansinvest.com
57	FİNANSBANK A.Ş.	www.finansbank.com.tr
58	FORTIS BANK A.Ş.	www.fortis.com.tr
59	FORTIS YATIRIM MENKUL DEĞERLER A.Ş.	www.fortisyatirim.com.tr
60	GALATA MENKUL DEĞERLER A.Ş.	www.galatamenkul.com
61	GARANTİ YATIRIM MENKUL KIYMETLER A.Ş.	www.garantiyatirim.com.tr
62	GEDİK YATIRIM MENKUL DEĞERLER A.Ş.	www.gedik.com
63	GFC GENERAL FİNANS MENKUL DEĞERLER A.Ş.	www.gfc.com.tr
64	GLOBAL MENKUL DEĞERLER A.Ş.	www.global.com.tr
65	GSD YATIRIM BANKASI A.Ş.	www.gsdbank.com.tr
66	GÜNEY MENKUL DEĞERLER TİCARETİ A.Ş.	www.guneymenkul.com.tr
67	GÜVEN MENKUL DEĞERLER A.Ş.	www.guvenmenkul.com
68	HAK MENKUL KIYMETLER A.Ş.	www.hakmenkul.com.tr
69	HALK YATIRIM MENKUL DEĞERLER A.Ş.	www.halkyatirim.com.tr
70	HEDEF MENKUL DEĞERLER A.Ş.	www.hedefmenkul.com
71	HSBC BANK A.Ş.	www.hsbc.com.tr
72	HSBC YATIRIM MENKUL DEĞERLER A.Ş.	www.hsbc.com.tr/HSBCYatirim
73	ING BANK A.Ş.	www.foyyatirim.com
74	ING MENKUL DEĞERLER A.Ş.	www.ingbank.com.tr
75	İFO YATIRIM A.Ş.	www.universalmenkul.com.tr
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ISBN-978-975-6483-26-8