

Ethical Principles Of İş Investment

ESSENTIALS REGARDING GENERAL PRINCIPLES

General Principles

It is necessary that capital markets transactions should be continued in line with purpose of increasing social and economic benefit, protecting the brokerage profession's prestige and developing the same, behaving fairly and honestly during relations with customers and not causing any unfair competition and within the framework of administrative and legal arrangements and general principles that were included below. Employees, state, organisation and institutions reporting to the state should know about the laws, communiques, regulations and arrangements issued by regulatory authorities and Professional organisations managing the brokerage institutions' activities and should obey said legal regulations.

Honesty And Fairness Principle

While carrying out the activities, it is necessary to behave honestly and fairly by considering the customer's benefit and integrity of markets. The employees by acting in line with requirements based on accurate declaration and Professional needs in relations that they shall establish and in transactions that they shall realize, diligently avoid from any action which shall impair the trust felt for İş Investment and markets.

Professional Due Diligence Principle

The employees provide technical information accumulation for the activities that they carry out and follow up any development related with their profession and obey the arrangements applicable in this respect. In this manner they continuously increase both their and their colleagues' knowledge.

Transparency Principle

All parties and public institutions and organisations in connection with relations that they shall establish and transactions that they shall realize during Professional activities are fully, correctly, rapidly and equally informed in a manner required by legislation and professional tendencies.

Using The Resources Effectively Principle

In order to ensure the continuity of İş Investment and to protect the rights and benefits of the customers, tangible, technological and human resources are used effectively and productively.

Caring For Competition And Social Benefit Principle

Professional activities are carried out by considering the professional practices in a manner not to cause any unfair competition. In addition to commercial purposes, social benefit and respect for environment are also considered.

Struggle Against The Laundering Of Illicit Money

In order to ensure that capital markets activities are performed within a trust and explicitness, within the international and national legislation provisions, necessary measures are taken for determination of suspicious transactions in connection with fight against laundering of illicit money, corruption and similar offences, cooperation is performed with organisation and establishments that are related with the subject. Measures that are for this are taken within the body of company and training programs are organised.

CUSTOMER RELATIONS

Information About Customers

The employees receive the identity data on customers before establishing any business relation with them and carry out their professional activities under the framework of written contracts. Additionally, they acquire necessary information about the financial situation of their customers, investment purposes and risk-return preferences of them. In case where customer does not want to provide the necessary information about his financial situation, investment purposes and risk-return preferences, they keep the written declaration stating this case with the contract.

Data present in databank of customer are subject to regular revision and update. Changes that are likely to adversely affect the investment purposes, risk preference, financial situation and freedom to make investment for the customer are absolutely followed up and customer is provided with necessary warnings so that he makes such notifications.

Obeying the Instructions Given by the Customer

The employees within the limits of frame contract that they signed with their customers behave in a manner which is in line with instructions of customer which shall aim at protecting the benefits of the customers. They take necessary measures so that the instructions of customer are clear and understandable.

The employees may not make any action in favour of them or any third party unless they have any right and authority over the capital markets instruments and cash belonging to their customers.

1. Informing

The customers are informed correctly, accurately and timely about transactions carried out in line with the services presented to the customers under contracts and fees, commissions and expenses arising from such transactions and mutual obligations and sanctions to be applied in case of failure to fulfill such obligations.

Before providing service, customers are informed about issues such as the services to be rendered, information and advices to be submitted, Capital Markets Instruments in which investment shall be performed and potential risks, application of storing for name of customer and protecting the investor and other arrangements.

Information presented so that the customer may make investment resolutions are based on reliable documents, supportive reports and analyses. Expressions and information sources that are for purpose of explicitly distinguishing certain information and ones which are based on interpretation are included. They shall not provide their customers with any written and verbal explanations bearing guarantee nature which shall have exaggerated, misleading and misdirecting meanings related with securities, sector, services rendered by them and information about them and any guarantee that Capital Markets Instruments in which investment shall be made shall bring any predetermined return.

All investors are entitled to access to the information. In case where any access to an information which is other than the one which may be accessed generally by public, employees may not provide any investor or investor group with any advantage.

2. Customer Benefits

İş Investment cares for customer rights during operation of its activities. Under this scope;

1. In the contracts to be signed with customers, it is not possible to include any provisions which infringe upon rights and benefits of customers and which are contrary to good faith rules
2. If any research report prepared for its customers, before being published, are used in favour of Institution, such position is explicitly and simultaneously announced together with the research results
3. It is not possible to obtain revenue in favour of Institution by affecting purchase and sale decisions by getting use of insufficient knowledge and experience of its customers about the markets
4. In case where the fees, commissions and expenses that shall be received in return for service to be rendered to the customer are predetermined, they may not exceed the predetermined amounts and rates
5. It takes technical and legal measures that are necessary for services developed in parallel with sale and purchase brokerage in technological development and electronic environment and for ensuring transaction security in any service medium due to the changing service varieties and for prevention of customer sufferance.

3. Relations of Employees with the Customers

Employees of İş Investment;

1. May not accept any gifts in favour of them and their relatives from any customer/third parties which exceed the considerably gift size and or may not give their customers /third parties any such gifts. Below cases are exceptions to this rule:
 - Business meals and offerings at reasonable extents, welcoming expenses during customer visits
 - Reasonable priced gifts given in special days (festivals, new year gifts etc.)

- Promotional materials distributed for advertisement purposed in line with corporate communication strategy
 - Gifts that are given only related with relativity, marriage and social relations and ones having no connection with business relations
2. In performing their duties, they may not make any discrimination among their customers in terms of political ideas, personnel closeness, antipathy, grudge and any similar reasons.
 3. May not provide the customers and/or any third parties with any money or commodity for providing illegal facility or acceleration in any business they plan to conduct. In case where they meet such a case, they inform one step higher supervisor about the case in writing.
 4. May not purchase any movable or immovable with a lower price than its market value in order to provide customer, themselves or family members, may not request any other personal benefit or may not have people promise to give the same.
 5. Behaves in line with working principles of İş Investment in relations with previous workplaces and his customers from his previous workplaces if any and may not act in a manner to endanger the reputation of capital markets.
 6. May not involve in relations with customers which are not in line with ethic principles such as credit-debt relation, surety and opening joint accounts (except for their first degree relatives).
 7. May not get personal benefit by using their position from either their workplace and business means of their customers.
 8. May not carry out transactions in name of customer by receiving power of attorney containing one or more of transactions from customers such as share sale and purchase order giving, signing waybill and other documents, depositing cash and securities and withdrawing the same, making the transfers except for portfolio management activities.

4. Conflicts Of Interest

Employees make any attempt necessary for avoiding conflicts of interest in their relations with customers. In cases where it is impossible to prevent Conflicts of interest, they primarily care for benefits of their customers. In case where Conflicts of interest are among their customers, they treat their customers fairly and impartially.

5. Keeping Secret

The employees may not disclose identity information belonging to their customers and any kind of information that they learnt because of their activities to none but authorities with explicit power by law in this regard.

RELATIONS WITH OTHER INTERMEDIARY INSTITUTIONS

Professional Liability, Solidarity And Information Exchange

İş Investment acts in solidarity with other intermediary institutions in order to ensure that capital markets develop soundly and prevention of any potential financial offences.

Data which are not of secret coverage in terms of legality are provided explicitly, understandably and within predetermined period for databank which shall be formed within the body of Association of Capital Market Intermediary Institutions of Turkey to be used in studies to be conducted for the basic target of developing the capital markets and intermediation profession.

Prevention of Unfair Competition

The employees perform the duties given to them in order to allow capital markets to develop within a honest, competitive and effective structure. Under this framework;

1. They may not behave in a manner to infringe the commercial prestiges of Other Intermediary Institutions and to violate the fair sale and purchase principles
2. May not provide any direct or indirect benefits they may not give any wrong, misguiding and insulting information about the activities, services given by Other Intermediary Institutions and financial position of them for purpose of obtaining customer,
3. They may not make misguiding explanations about the properties, activities of themselves and their executives , the services given by them to their customers, their professional experience and capacities
4. They may not make any transactions for themselves and/or customers by using information not disclosed to public that they obtain in connection with the value of any security or may not direct others to perform transactions in this direction
5. They may not make any manipulative transactions and show reasonable effort to prevent any transactions from being performed and may not knowingly allow such transactions to be performed.
6. They may not collect any commission, fee and expense that are less than rate and sums determined in regulations from the customers in connection with the services rendered by them or they may not perform any transactions which shall indirectly cause such a result.
7. They may not make any personnel transfer in form of team from other intermediary institutions in a manner where their activities shall be considerably made difficult or shall be subject to intervention.
8. For at least one month time, for establishment of connection, for purpose of providing service to customers of intermediary institution in which the newly employed personnel used to work, preventive measures are taken.
9. They may not perform any other actions which shall result in unfair competition

Announcements and Advertisements

İş Investment behaves honestly and realistically in its announcement, declarations and advertisements regarding the service and Capital Markets Instruments presented by it regarding its own financial structure and behaves in line with general ethical rules.

Care is shown for ensuring that advertisements are not deceiving, humiliating, misguiding its customers and not abusing their lack of experience and knowledge.

Using the expressions and words insulting the other intermediary institutions or products and services of other intermediary institutions in its announcements and divertimento's and directly or indirectly infringing the commercial reputation of any other member of Association of Capital Market Intermediary Institutions of Turkey is avoided. The expressions and visuals which are likely to create any influence that any intermediary institution is more secure than the other intermediary institutions may not be used in its announcements and advertisements.

Numerical data regarding the country economy, capital markets and relevant intermediary institutions which shall be used in its announcements and advertisements should be published or approved by authorized bodies. In other issues, it is possible to give announcements and advertisements by showing the reference.

In announcements and advertisements regarding the purchase and sale of securities the expressions which are likely to misguide the investors may not be used.

The employees may not write any letter, may not give any speech to any media organs and disclose any information to any party regarding the operational policy, capital markets, Capital Markets activities of İş Investment and issues treated as secret without obtaining the consent of Headquarters.

RELATIONS WITH EMPLOYEES

General Qualifications of Employees

İş Investment respects the fact that its employees have knowledge accumulation and responsibility sense required by their studies and duties in order for them to develop the prestige of the profession before the society.

1. Professional Capacity

Professional Capacity means that training and professional experiences required by the duty to be taken are at level which shall be sufficient for carrying out the activities.

The employees fulfill the responsibilities imposed on them for having any licence required for areas envisaged by the legislation.

2. Professional Due Diligence and Care

Professional Due Diligence and Care means the importance to be given and care and attempt to be shown by a careful and cautious employee under same terms. The employees show Professional Due Diligence and Care within the established internal control system. The employees of İş Investment;

1. Perform the duties assigned to them within a mutual harmony and assistance in due time by showing required care and due diligence in a correct and productive manner, by protecting the benefits of company they avoid any behaviour which is adverse for company

2. If assigned with executive post, they are responsible for regular operation of unit that they manage, by taking all measures required for this issue, concluding the same on due time by delegating the works to their subordinates.
3. They behave in a manner which is in line with prestige of İş Investment in their private lives just like the way they behave in their relations with colleagues and their customers. For this reason, they avoid behaving in a manner which shall shadow the reputation and prestige of İş Investment.
4. They may not arrive late in workplace and may not leave their job and may not engage in any other work during working hours unless they have a valid reason
5. They show maximum care and attention in keeping the information, document and instruments belonging to İş Investment.
6. They avoid sending any unfounded and misleading e-mail messages which are likely to shadow the prestige of Institution.
7. They obey the written and verbal instructions given by their supervisors in cases which are not explicitly deemed to be an offence in line with procedures and legal provisions of company and in line with law. However, any personnel noticing that order is contrary to the legislation after expressing such opinion to the order giving supervisor, following this if no change is made, following the fact that his supervisors give written order, after performing the order, he is obligated to inform the case to higher authority without wasting any time.
8. They avoid making false declarations which shall adversely affect the honour and prestige of his superiors or colleagues and making unfounded notifications and complaints which shall infringe upon the honour and prestige by the intention of blacken the name of them.

3. Career Development

İş Investment emphasizes on the fact that all its employees are provided with necessary tools so that they may fulfil their duties and that necessary information is given to enable them to succeed and necessary training program to make them develop their skills and opportunities that are necessary for them to develop their careers.

4. Relations Of The Employees As Customers

The employees may not sell and purchase shares either directly or indirectly by means of their relatives either in İş Investment or in other institutions. The employees may not make themselves debited versus İş Investment.

The employees of company behave in line with working principles of İş Investment in relations with previous workplaces and his customers from his previous workplaces if any and may not act in a manner to endanger the reputation of capital markets.

In case where any employee of other intermediary institutions opens an account before İş Investment, the person causing the account to be opened is required to declare that he is an employee of any other member or where it is learnt in any manner that account belongs to employee of any other member, this information is required to be informed to other member in writing by also stating the date of opening of the account within one week maximally from the date of learning such case.

Obeying The Professional Rules

The employees of İş Investment are obligated to be informed about all other legislation, regulations, procedures and communiques issued by the company in addition to rules and arrangements included above and to obey them. Those failing to obey them shall be applied with a penalty within the framework of “Discipline and Disciplinary Penalties” Section of Personnel Regulation.

Miscellaneous Aspects

İş Investment behaves in line with honesty and transparency principles in its relations with Association of Capital Market Intermediary Institutions of Turkey and other Public Organisations and Institutions, it shows necessary care for correct, complete and timely delivery of any information, document and records that are likely to be demanded by Association and organisations and institutions that are authorised to request them for the audit and control purposes in line with legislation and behaves in a manner which shall facilitate the working of said personnel.