ANNEX-1B FOREIGN DERIVATIVES RISK NOTIFICATION FORM

Important Explanation:

As a result of the trading transactions in foreign derivatives exchanges or other organized markets, you can have profit but at the same time you may have a risk of making loss. Therefore, before making the decision to trade in foreign derivatives exchanges or other organized markets, you should understand the risks you may encounter in the market and make your decision by taking your financial status and limits into consideration.

Hence, you must understand the issues contained in the “Foreign Derivatives Risk Notification Form”, according to Article 57 of the “Communiqué on the Principles Regarding Intermediation Activities and Intermediary Institutions” Serial: V, No: 46 regarding “Intermediation Activities in Trading Derivatives”.

Warning:

Before trading, please check whether the intermediary institution with whom you wish to work owns a “Certificate of Intermediation for Trading in Foreign Derivatives”. A list of intermediary institutions and banks authorized to perform derivatives trading intermediation activities is available at www.spk.gov.tr or www.tspakb.org.tr.

Definitions:

Exchange: Foreign futures and options exchanges.

Intermediary Institution: The intermediary institution or bank that is a member of Exchange and holds a “Certificate of Intermediation For Trading in Foreign Derivatives”; and that the party of which the investor will enter into the framework agreement for intermediation in derivatives trading, and sign this risk notification form.

Other Organized Markets: Organized markets where futures and option contracts are traded.

Market: Markets where futures and option contracts are traded.

Futures Contract: A contract obligating the respective parties to buy or sell economic or financial indicators, capital market instruments, commodities, precious metals and foreign currencies at a specific price, predetermined quantity and quality and on a specific maturity date.

Option Contract: A contract entitling the buyer and obligating the seller to buy or sell economic or financial indicators, capital market instruments, commodities, precious metals and foreign currencies at a specific price and predetermined quantity and quality, on or before a specific maturity date.

Long Position (Futures Contracts): The obligation to buy an underlying asset at specific price and quantity determined in the contract or to fulfill a cash settlement on the respective maturity date.

Long Position (Option Contracts):

1) For a call option, the entitlement to buy an underlying asset at specific price and quantity determined in the contract or to fulfill a cash settlement on or before the respective maturity date.

2) For a put option, the entitlement to sell an underlying asset at specific price and quantity determined in the contract or to fulfill a cash settlement on or before the respective maturity date.

Short Position (Futures Contracts): The obligation to sell an underlying asset at specific price and quantity determined in the contract or to fulfill a cash settlement on the respective maturity date.

Short Position (Option Contracts):

1) For a call option, the obligation to sell an underlying asset at specific price and quantity determined in the contract or to fulfill a cash settlement on or before the respective maturity date.

2) For a put option, the obligation to buy an underlying asset at specific price and quantity determined in the contract or to fulfill a cash settlement on or before the respective maturity date.

Reverse Trading (Closing Position): Under the contracts having same characteristics, the settlement of position by taking long position against short position and taking short position against long position until the last transaction date on which said contract is being traded.

Option Premium: A premium that the buyer side of the option contract is obligated to pay to the seller side against the rights stated in the contract.

Strike Price: The price on the respective option contract in which the underlying asset may be bought or sold on or before the maturity date.

Settlement Price: The price calculated according to the contract type and Exchange regulations and to be used for updating the accounts at the end of the trading day.

Position Limits: Based on each contract, account and/or Exchange member, the maximum number of positions that may be held as a sum in all delivery maturity dates or as a subtotal of various maturity dates based on the same contract.

Initial Margin: The mandatory amount to be deposited to enter a position.

Maintenance Margin: The lower limit of the margin amount to be maintained and reconciled according to daily fluctuations in market prices.

RISK NOTIFICATION

(GENERAL INFORMATION FOR INVESTORS REGARDING FUTURES AND OPTION CONTRACTS TRANSACTIONS)

It is very important for you to understand following issues in addition to the provisions of the "Framework Agreement" that will be executed between you and the intermediary institution regarding intermediation in futures and option contracts.

1. The account to be opened at intermediary institution and any transactions performed through this account on foreign futures and options exchanges or other organized markets shall be governed by the provisions of applicable laws and administrative regulations issued by the Capital Markets Board, Exchange and Clearing House.

2. Derivatives pose risks in varying degrees. You could lose the entire margin amount deposited in an intermediary institution due to fluctuations in market prices and suffer higher losses than the total margin amount deposited.

3. You should deposit an initial margin to your account with the intermediary institution for each futures contract you intend to trade on the market, at the minimum amount determined by the intermediary institution by taking into account Capital Markets Board regulations and related exchange/other organized market rules in order to take a position on foreign futures and options exchanges or other organized markets.

4. You should fulfill the margin supplement calls made by the intermediary institution within required time and form; otherwise you will have to give consent to the closure of the position from the current market price, with duty of care, regardless of loss and without any further notification.

5. If you buy an option contract, you could limit your risk with the option premium as well as the commission and other transaction fees payable by your party, if you do not exercise this option.

6. If you sell an option contract, you might be exposed to a limitless potential risk of loss – which may exceed premiums earned from the sale – resulting from slightly adverse market movements. Once it is requested to fulfill this option, you will lose control over the option's execution. Therefore, only experienced investors with large principal amounts should attempt to sell options.

7. There are numerous types of option contracts. Before making any commitments, you should consult with your intermediary institution about your investment needs and the risks posed by participating in type contracts.

8. In tight market environments with fairly low liquidity levels and maximum price fluctuations, if there is market marker system and market makers give quotations from the broadest spread, it should be taken into consideration that orders placed in the market cannot be executed even including "conditional orders" and "strategic orders" which enable risk limitation.

9. Under normal conditions, entering a “spread” position for futures contracts is less risky. However, a spread position may or may not be riskier than a long or short position entered directly in the futures market under extraordinary market conditions.

10. Due consideration should be given to the fact that the leverage effect with transactions conducted on low margin levels might operate both for the favor and against your interest and thus the leverage effect poses the possibility to cause high losses as well as ensuring high returns.

11. Once the position limits determined by the relevant exchange/other organized markets on account or company basis has been reached, any orders you place other than those for closing out your position may or may not be executed.

12. If price fluctuations in the market are against your positions, the relevant exchange/other organized markets may identify your account as “risky”. In that case, you may not be able to place passive orders.

13. You should consider that information or recommendations provided to you from intermediary institution for transactions to be performed in derivatives markets might be insufficient and require verification.

14. You should consider that technical and basic analyses on trading futures and option contracts conducted by authorized staff members of intermediary institutions might differ depending on the investors and the forecasts might not come true.

15. Due consideration should be given to the fact that for the transactions conducted in foreign currencies, there is the currency risk in addition to the abovementioned risks, some loss of value on the basis of Turkish Liras may occur, the states may restrict the foreign capitals and currency movements, may impose any additional and/or new taxes, and that the trading transactions may not be realized on time and that there is risk of non-delivery of physical assets in physically delivered contracts.

16. You should have all the commissions and other transaction fees you will be obliged to pay confirmed by your authorized institution in advance of conducting any transactions. If such fees are not expressed in monetary terms (except some percentage of the contract price), you should request a written explanation which includes legible examples with regards to how such fees would be accrued to you. If the commission to be collected is based on a specific percentage, you should agree in advance that this percentage pertains to the contract price and not to the cash deposited by yourself.

This risk notification form for derivatives trading intends to inform the investor about the existing risks in general terms, and may not cover all the risks, which arise from the futures and options trading and the practice thereof. Therefore, you should conduct a careful inquiry in advance of directing your savings toward such trading.

Name, Surname/Company Title :

Agreement No :

Date :

Signature :