

HSBC YATIRIM MENKUL DEĞERLER A.Ş.
PRE-AGREEMENT INFORMATION FORM FOR THE
SPECIAL PROVISIONS REGARDING THE TRADING OF
DERIVATIVES IN BORSA ISTANBUL FUTURES AND
OPTIONS MARKET

PRE-AGREEMENT INFORMATION FORM FOR THE SPECIAL PROVISIONS REGARDING THE TRADING OF DERIVATIVES IN BORSA ISTANBUL FUTURES AND OPTIONS MARKET

THIS PRE-AGREEMENT INFORMATION FORM IS INTENDED TO PROVIDE YOU WITH INFORMATION PRIOR TO YOUR APPROVAL OF THE SPECIAL PROVISIONS REGARDING THE TRADING OF DERIVATIVES IN BORSA ISTANBUL FUTURES AND OPTIONS MARKET, INCLUDING ITS APPENDICES, AS PER ARTICLE 21 OF THE TURKISH CODE OF OBLIGATIONS NO. 6098, ARTICLE 49 OF THE CONSUMER PROTECTION LAW NO. 6502, THE REGULATION ON DISTANCE CONTRACTS FOR FINANCIAL SERVICES, AND ARTICLE 5 OF THE CAPITAL MARKETS BOARD'S COMMUNIQUE NO. III-45.1 ON DOCUMENTATION AND RECORD-KEEPING SYSTEM REGARDING INVESTMENT SERVICES AND ACTIVITIES AND ANCILLARY SERVICES.

I. CORPORATE INFORMATION

Title: HSBC YATIRIM MENKUL DEGERLER ANONİM ŞİRKETİ
Register No: 359071
Registered Office: Esentepe Mah. Büyükdere Cad. No:128 Şişli, İstanbul
Website: <http://www.hsbcyatirim.com.tr/>
Phone: 2123764600
Fax No: 02123362472
E-mail: ...
Central Reg. Sys. (Mersis) No: 278009461200010
Core Business: Intermediary services in securities (including stock exchange brokerage and derivatives)

Dear Customer,

The Agreement on Special Provisions Regarding the Trading of Derivatives in Borsa Istanbul Futures and Options Market ("**Agreement**") provided to you alongside this Pre-Agreement Information Form regulates the services concerning the trading at Borsa Istanbul Futures and Options Market, of all kinds of derivatives, including the futures and options contracts based on economic and financial indicators, capital market instruments, commodities, precious metals and foreign currencies to be offered to you by HSBC Yatırım Menkul Değerler Anonim Şirketi ("**HSBC YATIRIM**").

The Agreement covers the futures and options contracts for which the delivery is based on the cash settlement method, as well as the transactions related to these contracts. The Derivatives Risk Notification Form provided as an appendix to the Agreement constitutes an integral part of the Agreement.

The following provisions of the Agreement are intended to provide guidance for you in relation to the parties' rights and obligations under this Agreement or applicable legislation. Therefore, prior to the execution of the Agreement, we hereby provide you with opportunity to acquaint yourself with the content and terms of the Agreement as per Articles 20 to 25 of Turkish Code of Obligations, relating to the general terms of transactions. In this context, we recommend you to carefully go through the provisions of the Agreement presented through this Pre-Agreement Information Form, and the following particular clauses, and to consult with an expert to obtain guidance regarding any legal and financial consequences thereof, should you deem it necessary.

II. SIGNIFICANT PROVISIONS OF THE AGREEMENT

1. The following clauses within terms of the Agreement:

- a) Article 4 "Limitations on the Trade of Stock Exchange Contracts";



- b) Article 6 “Principles on the Acceptance of Buy and Sell Orders”;
- c) Article 9 “Principles for Transaction Guarantees”;
- d) Article 11 “Principles of Delivery for the Derivative Financial Instruments and Cash”;
- e) Article 13 “Payment of Brokerage Fees, Expenses, and Taxes”; and
- f) Article 14 “Investment of the Customer’s Cash”

cover important points to be reviewed by you in terms of your rights and obligations.

3. You are also encouraged to review and get yourself acquainted with the following content in the section “Appendices to the Agreement”:

Appendix (1) - Risk Notification Form for Derivative Financial Instruments

These appendices issued under the Capital Markets Law are an integral part of the Agreement.

III. SUBJECT-MATTER OF FINANCIAL SERVICE & INFORMATION ON INTERMEDIARY FIRM

Within the framework of the Agreement on Intermediary Services for Transmission of Orders, as executed by and between us and HSBC Bank A.Ş., any intermediary services for transmission of customer orders are provided by HSBC Bank A.Ş. on our behalf.

We, as HSBC YATIRIM, will be providing you with information about the results of any orders transmitted by you, in accordance with the Capital Markets Law and applicable legislation.

IV. FEES AND CHARGES FOR DERIVATIVES

Any fees and charges that may be directly chargeable by HSBC YATIRIM are specified in the basic information document you have signed for the product to be traded. Furthermore, up-to-date information on fees and charges to be payable for investment product transactions is available on our website and in the transaction rate schedules available at our branches.

V. PAYMENTS AND DEFAULT

Please note that you are under obligation to pay any charges and tax obligations payable to financial institutions, stock exchanges, clearing houses and securities depositaries, banks, tax offices, and other relevant agencies, with respect to any derivatives transactions to be effected under the Agreement. In this context, you will be obliged, within the due period of time, to perform your obligations and liabilities, including any taxes, duties and charges, withholding tax, banking and insurance transactions tax, and stamp duty, which have arisen, or may arise, out of any transactions covered by the Agreement, or which are required under Turkish tax legislation. We would like to inform you that, if you fail to perform such obligations nor pay such debt in a timely manner, then you will lapse into default, whereupon you will become liable to pay a default interest at a rate as specified in the “General Terms” in the Framework Agreement for Capital Market Transactions, along with all applicable expense taxes, various fund deductions, including any loss, costs and additional charges. Therefore, please also evaluate and review the Framework Agreement for Capital Market Transactions before signing the Agreement.

VI. TRANSACTION MARGINS

We would like to draw your attention to the fact that you are required to provide the Transaction Margins stipulated and calculated under the Capital Market Regulations, for the transactions covered by the Agreement to be performed by HSBC YATIRIM.

The Margins are established in two stages: the initial and maintenance margins. The initial margin should be deposited by you with HSBC YATIRIM, before taking up a position. In case the existing deposit figure falls short due to reasons stipulated in the Agreement, you will be required to make an additional deposit to reach the initial margin figure stipulated in the Capital



Market Regulations, upon the call to be issued by HSBC YATIRIM. If the deposit figure falls down to or below the maintenance margin level, the shortfall should be covered through direct cash payments until the initial margin level is achieved. Please carefully go through the Agreement's article 9 titled Principles for Transaction Guarantess, and article 11 titled Principles of Delivery for the Derivative Financial Instruments and Cash before signing the Agreement, as they can contain provisions which may be detrimental to your interests.

VII. WITHDRAWAL PROHIBITION

Since any transactions you will perform in accordance with the Agreement shall be related to foreign currency transactions, money market instruments, transferable securities, mutual fund shares, financial asset-based futures contracts, forward interest rate agreements, interest, foreign currency and share swaps, options, and similar financial instruments based on cash settlement, which are exempted from the right of withdrawal as provided for in the applicable legislation, no-waiver clause shall apply to such transactions. Therefore, **we would like to underline that you will not be entitled to the right of withdrawal** in relation to such transactions.

VIII. TERM, AMENDMENT AND TERMINATION OF THE AGREEMENT

The Agreement shall enter into force on the "Agreement Date", and shall remain in force unless it is terminated. Given the lack of special terms regarding (i) the termination of the Agreement, and (ii) amendment of its provisions other than the ones on fees, commissions and costs, the provisions of the "General Terms" of the Framework Agreement for Capital Market Transactions shall apply with respect to termination and amendments. Therefore, you are recommended to review the terms of the Framework Agreement before signing the Agreement.

HSBC YATIRIM may amend the Agreement provisions on fees, commissions, and costs by providing you written notice through return-registered mail, at least 5 (five) business days in advance. You may unilaterally terminate the Agreement within 5 (five) business days following the date of receipt of such amendment.

Respectfully submitted for your information.

HSBC Yatırım Menkul Değerler A.Ş.

Customer's Statement:

I hereby agree and declare that before signing/approving the Agreement, I have received this Pre-Agreement Information Form, which contains information regarding the provisions of the Agreement, along with the main body of and appendices to the Agreement; that I have saved them on permanent data storage medium; that I have reviewed and considered them; and that I would be signing/approving the Agreement, with the knowledge, understanding, and acknowledging of these terms.

Customer

Full Name : ...

Signature : ...

Date : ...

RISK NOTIFICATION FORM FOR DERIVATIVE FINANCIAL INSTRUMENTS

(For transactions at the Derivatives Market of Borsa İstanbul A.Ş.)

Important Disclosure:

You may earn a profit, while you are also exposed to a risk of loss as a result of the transactions that you will carry out at the Derivatives Market of Borsa İstanbul A.Ş. Therefore, before making the decision to carry out any transaction in the Derivatives Market of Borsa İstanbul A.Ş., you should understand the risks you may encounter at the market, and take into account your financial status and limitations.

For this purpose, you are required to understand the issues that are referred to in the “General Risk Notification Form for Investment Services and Activities” in addition to the below issues included in the “Risk Notification Form for Leverage Trading”, as stipulated in Article 25 of the “Communiqué No. III.39.1 on Principles of Establishment and Activities Investment Firms”, as issued by the Capital Markets Board.

Warning:

Before beginning to conduct transactions, check that the institution with which you are planning to work has a “Certificate of Authorization for Trading Brokerage”. The lists of banks and capital market intermediary institutions licensed in trading brokerage are available at www.spk.gov.tr or www.tspakb.org.tr.

Definitions:

Stock Exchange: refers to Borsa İstanbul A.Ş.,

Intermediary Firm: refers to the intermediary firm or bank, which is a member of the stock exchange; has received the “Certificate of Authorization for the Brokerage of the Trade of Derivative Financial Instruments” from the Capital Markets Board; and with which the customer who signed this risk notification form shall sign a “framework agreement for the brokerage of the trade of derivative financial instruments”,

Market: refers to the markets where the contracts of the Derivatives Market of Borsa İstanbul A.Ş. are traded,

Futures Contract: refers to a contract which requires the purchase or sale of economic or financial indicators, capital market instruments, goods, precious metals, and foreign exchange at a pre-determined price, quantity and feature, with a certain maturity,

Option Contract: refers to a contract which entitles the party who buys the option to buy or sell economic or financial indicators, capital market instruments, goods, precious metals, and foreign exchange at a pre-determined price, quantity and feature, at or until a certain maturity, while obligating the party who sells it,

Long Position (For Futures Contracts): refers to the obligation to buy the asset which is the subject of the contract, at the price and amount specified in the contract, or ensure a cash settlement when the contract expires,

Long Position (for Option Contracts):

1) In a call option refers to the right to buy the asset, which is the subject of the contract, at the price and amount specified in the contract, or the right to have a cash settlement, at the maturity of the contract or within the period until maturity,

2) In a put option refers to the obligation to sell the asset, which is the subject of the contract, at the price and amount specified in the contract, or the right to have a cash settlement, at the maturity of the contract or within the period until maturity,

Short Position (For Futures Contracts): refers to the obligation to sell the asset which is the subject of the contract, at the price and amount specified in the contract, or ensure a cash settlement when the contract expires,

Short Position (for Option Contracts):

1) In a call option refers to the obligation to sell the asset which is the subject of the contract, at the price specified in the

contract and at the determined amount, or to ensure a cash settlement, at the maturity of the contract or within the period until maturity,

2) In a put option refers to the obligation to buy the asset which is the subject of the contract, at the price specified in the contract and at the determined amount, or ensure a cash settlement, at the maturity of the contract or within the period until maturity,

Offsetting Transaction/Position Closing Option Unit: refers to closing a position by taking the short position against the long position and the long position against the short position until the last trading day in the market on which the relevant contract is traded, provided that it is based on the contracts with the same features,

Option Premium: refers to the premium that the party who buys the option contract is obliged to pay to the party who sells the option contract, in exchange for the rights included in the contract,

Strike Price: refers to the price at which the right to buy or sell the asset which is subject to the contract, can be used during the maturity period or on the maturity date in option contracts,

Settlement Price: refers to the price that is calculated in accordance with the Stock Exchange rules on the basis of contract type to be used to update the accounts at the end of the day,

Position Limits: refers to the maximum position that can be owned on a contract, account and/or Stock Exchange member, in total for all delivery terms or in sub-totals for various delivery terms on the same contract type basis,

Initial Margin: The amount that is required to be deposited when taking a position,

Maintenance Margin: refers to the lower limit that needs to be maintained by the collateral amounts which are updated against the daily price movements in the market.

HSBC YATIRIM MENKUL DEĞERLER A.Ş.
SPECIAL PROVISIONS REGARDING THE TRADING OF
DERIVATIVES IN BORSA ISTANBUL FUTURES AND
OPTIONS MARKET

SPECIAL PROVISIONS ON THE TRADE OF DERIVATIVE FINANCIAL INSTRUMENTS AT THE DERIVATIVES MARKET

ARTICLE 1 SCOPE

These Special Provisions for the Trade of Derivative Financial Instruments set forth the services that HSBC YATIRIM shall provide to the CUSTOMER in relation to the trade of any type of derivative financial instrument, including futures and options contracts based on economic and financial indicators, Capital Market Instruments, goods, precious metals and foreign currency at Borsa Istanbul.

This Agreement covers the futures and options contracts for which delivery is made by the cash settlement method, and the transactions related to these contracts.

ARTICLE 2

DEFINITIONS AND ABBREVIATIONS

The abbreviations and definitions that are used in these Special Provisions shall have the following meanings, unless stated otherwise in this text:

Derivative Financial Instruments	Refer to futures and options contracts based on economic and financial indicators, Capital Market Instruments, goods, precious metals and foreign currency, and any instrument that is traded under the Stock Exchange Contract, and is subject to rights and/or obligations;
Stock Exchange Contract	Refers to any futures and options contracts;
Stock Exchange	Refers to Borsa İstanbul Anonim Şirketi;
Transaction Guarantees	Refers to the value deposited as initial margin and maintenance margin according to the Capital Market Legislation;

ARTICLE 3 FORM

The parties agree that the Risk Information Form for Derivative Financial Instruments which is included in Annex I is an integral part of these Special Provisions.

The CUSTOMER hereby declares that s/he has read, understood and received a copy of the Risk Information Form for Derivative Financial Instruments which is provided as an annex of these Special Provisions, before signing the Special Provisions.

In case of any problem you may encounter regarding the services we provide to you, you may report your complaints to us via "Contact Us" menu on www.hsbc.com.tr or through HSBC Bank A.Ş. Telephone Banking with dialing 0850 211 0 114.

For any issues you may have with your stock exchange transactions, you may contact Borsa İstanbul A.Ş. For information regarding stock exchange disputes, please refer to <https://www.borsaistanbul.com/tr/page/147/uyusmazliklar>. Furthermore, you may apply to the Customer Disputes Arbitration Committee of the Turkish Capital Markets Association for any issues related to your non-stock market transactions. Phone: 0212 280 85 67 website: www.tspb.org.tr

ARTICLE 4**LIMITATIONS ON THE TRADE OF STOCK EXCHANGE CONTRACTS**

The CUSTOMER agrees and declares that HSBC YATIRIM has the right to unilaterally determine the types of Stock Exchange Contracts that may be subject to trading through its own mediation.

ARTICLE 5**SUBMISSION OF THE BUY-SELL ORDERS**

It is essential for the CUSTOMER to submit the Orders in writing. However, the CUSTOMER has the right to place orders by phone, fax, internet and verbally during or before the session. All of the Orders that are conveyed by any communication instrument besides orders that are given in writing are of a Verbal Order nature pursuant to general provisions. However, all provisions of the General Provisions in relation to fax orders are reserved.

HSBC YATIRIM shall keep the audio records and written documentation in relation to the Orders it received by telephone for the period stipulated by the relevant capital market legislation. HSBC YATIRIM has the right to request a written confirmation for any verbal instructions, including other Orders before implementing them. However, HSBC YATIRIM is not obliged to exercise these authorities. In case of any dispute, these records which include the approval of the CUSTOMER shall be accepted as proof of the related transactions.

HSBC YATIRIM shall process the CUSTOMER's Orders for the transactions to be performed in the Stock Exchange in accordance with the principles stipulated in the Capital Market Legislation.

ARTICLE 6**PRINCIPLES ON THE ACCEPTANCE OF THE BUY AND SELL ORDERS**

HSBC YATIRIM has the right to completely or partially reject any buy and sell Order of the CUSTOMER. If an Order is rejected, HSBC YATIRIM shall communicate this to the CUSTOMER or his/her representatives while receiving the order, without having to provide any justification.

In order for the buy and/or sell request to be processed, the CUSTOMER must keep the Trading Margins at HSBC YATIRIM in accordance with the principles in article 9 of these Special Provisions. If it is determined by the Stock Exchange during the matching of Orders that the Transaction Guarantees are insufficient, HSBC YATIRIM shall not bear any responsibility for the cancellation of the Order.

ARTICLE 7**VALIDITY PERIOD OF THE ORDERS**

The CUSTOMER may submit the Orders to be valid for one day, from the date of their entry until its cancellation, and until a certain date. If the order is submitted to be valid until a certain date, the determined date shall be taken into account in calculating the period in which the Order shall be valid. Orders that are submitted during the session and without mentioning any validity period shall be valid only for that session. Orders that are submitted after the session and without mentioning any validity period shall be valid until the end of the day or during the next session. Orders that are not realized within the specified time period shall be invalid.

ARTICLE 8**PRICE DETERMINATION METHOD FOR CUSTOMER ORDERS**

The CUSTOMER can either determine the price and amount of buy and sell orders, or authorize HSBC YATIRIM on this matter.

Buy and sell Orders are placed by choosing one of the four methods: “market”, “limit”, “market to limit” or “conditional”.

Market Orders are those where the order method to fulfill the order, starting with the best priced order in the market at the time that the order is entered, is used.

Limit Order is the order method that is used to execute transactions up to the specified limit price level. When using this method, the price and quantity must be entered.

Market to Limit Orders are those that are entered without a price, by specifying only the quantity, like market orders. They are fulfilled by matching orders that are waiting only at the best price level on the opposite side. The unfulfilled portion turns into a limit order by taking the last transaction price that took place and is put on hold in the order book. An entered market to limit order shall be immediately canceled in the absence of an order pending on the opposite side.

Conditional Order is used to activate the order in the trading system in case of transactions in the Market at the price determined by the person who entered the order for the relevant contract (activation price) or at higher prices for buy orders and lower prices for sell orders. If the conditional order type is used, it is obligatory to specify the order entry method as well as the activation price.

The price can be determined by means of methods other than those mentioned above, by the mutual agreement of the Parties. If the price determination method is not specified in the given Order, it shall be considered that the CUSTOMER authorizes HSBC YATIRIM for identifying the price determination method.

The CUSTOMER shall be responsible for losses and profits arising from the price determination; however, HSBC YATIRIM shall take utmost care to protect the interests of the CUSTOMER.

ARTICLE 9

PRINCIPLES FOR TRANSACTION GUARANTEES

The CUSTOMER is obliged to keep the Transaction Guarantees, which are set forth in accordance with the Capital Market Legislation and calculated according to these regulations, for HSBC YATIRIM to be able to execute the transactions.

Market risk management is carried out by Takasbank. For transactions that are carried out in the market, the method of collateralization on a portfolio basis, is applied. The calculation of the collateral on a portfolio basis shall be based on parameters that shall be determined and announced by Takasbank. Takasbank uses the BISTECH Margin Method, which uses the portfolio-based risk management algorithm in portfolio-based collateralization transactions.

The provisions of Clearing Legislation apply for risk management, pre-order risk method and collateralization method.

Transaction Guarantees are determined in two stages: initial and maintenance margins.

HSBC YATIRIM shall have taken over all its rights of disposition on the collaterals, including but not limited to the right to redeem the non-cash portion and compensate the losses from short positions, and have transferred them to Takasbank.

Initial Margin: It is the amount paid by the CUSTOMER to be able to take a position at the Stock Exchange, and determined on the basis of the Stock Exchange Contract, which is the subject of the transaction.

The CUSTOMER shall deposit the initial margin to HSBC YATIRIM before taking a position. If such initial margin is not deposited, the Stock Exchange shall not allow the transaction to be carried out.

If all the main elements of Derivative Financial Instruments, particularly, the size of the contract is the same, while their maturities are different, an expansion position (different position) shall be established, where a long position is obtained in one of the Stock Exchange Contracts, but a short position is obtained in another contract. HSBC YATIRIM may set a lower margin for expansion positions compared to flat positions.

Maintenance Margin: This is the lowest level to be maintained by the margin amounts that are updated based on the daily

price changes in the market, and the asset composition that needs to be maintained as collateral. The CUSTOMER agrees to fulfill his/her obligations for the maintenance margin while maintaining the short position.

If the current collateral falls down to or below the maintenance margin level due to losses that may be incurred in futures or option contracts as a result of the account updates of Takasbank during the day, or other reasons, HSBC YATIRIM shall contact the CUSTOMER, and ask him/her to raise the collateral up to the initial margin level in line with period and terms that are set in the Capital Market Legislation. If the deposit figure falls down to or below the maintenance margin level, the shortfall should be covered through direct cash payments until the initial margin level is achieved.

Elements such as the amount of the Transaction Guarantees, the rates which the Transaction Guarantees are subject to, the assets that can be accepted as collateral, the coefficients to be used in the valuation, and the time for depositing the collateral shall be determined by Takasbank with the agreement of the Stock Exchange, unless they are specified in the minimum elements of the Stock Exchange Contact, which is the subject of the transaction. The Stock Exchange may set different Transaction Guarantees. Therefore, the CUSTOMER acknowledges that HSBC YATIRIM may require Transaction Guarantees at different rates and different amounts to be deposited due to the practices that the Stock Exchange can apply.

ARTICLE 10

CLOSING FULFILLED ORDERS

Buy and sell Orders given by the CUSTOMER shall be closed out by HSBC YATIRIM in accordance with the Capital Market Legislation.

ARTICLE 11

PRINCIPLES OF DELIVERY FOR THE DERIVATIVE FINANCIAL INSTRUMENTS AND CASH

If the CUSTOMER has submitted a buy or sell order, s/he is obliged to deposit the Transaction Guarantees to the bank accounts that are listed in the annex no. ... of the General Provisions of HSBC YATIRIM. If the submitted buy or sell order is not fulfilled, such amount can be deposited to the bank account that is notified by the CUSTOMER to HSBC YATIRIM, at the expense of the CUSTOMER. In the event that the buy or sell order is fulfilled, the amount paid by the CUSTOMER shall be deducted from the buy or sell amount. If the CUSTOMER has an outstanding debt as a result of this transaction, HSBC YATIRIM may ask the CUSTOMER to pay such amount within the period specified in the Capital Market Legislation.

If the CUSTOMER submitted a buy or sell order, s/he is obliged to keep the Transaction Guarantees in his/her account at HSBC YATIRIM, so that the obligations under this Agreement can be fulfilled. The CUSTOMER agrees and declares that HSBC YATIRIM has the power to make any transactions on the account opened at HSBC YATIRIM by the CUSTOMER for the fulfillment of the obligations under this Agreement, to fulfill the settlement obligation arising from the buy orders and to cover the fees, commissions and other expenses associated with the buy orders, and that it is not necessary to receive additional instructions from the CUSTOMER for every payment transaction. If the submitted buy or sell Order is not fulfilled, such amount can be deposited to the account that the CUSTOMER opened at HSBC YATIRIM. In the event that the buy or sell Order is fulfilled, the amount paid by the CUSTOMER shall be deducted from the buy or sell amount. If the CUSTOMER has an outstanding debt as a result of this transaction, HSBC YATIRIM may ask the CUSTOMER to pay such amount within the period specified in the Capital Market Legislation.

ARTICLE 12

PRINCIPLES OF DISCLOSURE FOR THE PARTIES

HSBC YATIRIM uploads all the forms, which are required as per the Capital Markets Legislation, pertaining to the transactions realized as per the Documentation and Record-Keeping Communiqué, to the CUSTOMER's HSBC Bank Internet Banking and Mobile Banking application following the end of the transaction day at the latest. The CUSTOMER can have access to HSBC Bank Internet Banking service or mobile banking application by using the User Code, Password and

single-use PIN that are specifically assigned to him/her.

The CUSTOMER always has the right to learn the balance and/or any activity in his/her accounts at HSBC YATIRIM.

HSBC YATIRIM shall send the e-mail confirming that all the account statements pertaining to the transactions realized as per the Documentation and Record-Keeping Communiqué are uploaded on Internet Banking or the mobile banking application, to the email address that the CUSTOMER provided in the "Account Opening and Information Form" within 5 days of the last day of each calendar month, unless the CUSTOMER instructs otherwise in writing by using the "HSBC Yatırım Menkul Değerler A.Ş. Instruction For The Delivery Preference For The Account Statement" which is attached to the General Provisions. It is not mandatory to send these reports for months in which no transactions are performed by the CUSTOMER. Where the CUSTOMER requests the account statements to be sent by registered mail, the mail costs shall be covered by the CUSTOMER

The provisions of the "Agreement for Waiver of Account Statement Delivery" shall apply to professional customers.

ARTICLE 13

PAYMENT OF THE BROKERAGE FEES, EXPENSES AND TAXES

The CUSTOMER agrees, declares and undertakes that HSBC YATIRIM shall apply the commission rates specified in the General Provisions, and s/he shall pay the amounts to be calculated as a result of this application to HSBC YATIRIM. The CUSTOMER also agrees and undertakes to pay in cash or through his/her account any service fees, commissions and deductions arising from derivative financial instruments that are provided by HSBC YATIRIM under these Special Provisions or resulting from services in connection with such instruments, expenses and fees that may be charged by other financial institutions, the commissions, deductions, expenses and fees to be paid to Stock Exchanges, Settlement and Custody Institutions and other authorized institutions for the transactions to be performed by HSBC YATIRIM for or on behalf of the CUSTOMER in relation to derivative financial instruments in accordance with these Special Provisions, and any expenses, commissions and fees arising from bank transfers, EFTs and other transactions resulting from transactions for which HSBC YATIRIM acts for and on behalf of the CUSTOMER along with all the taxes and deductions on the transaction date and/or date of accrual.

Any stamp duty and any other tax, duty and charges, including the Banking and Insurance Transactions Tax, which are levied and accrued in Turkey or abroad on payments to be made to the CUSTOMER's account, and any transaction to be made based on the balance of such accounts shall exclusively be borne by the CUSTOMER.

HSBC YATIRIM shall notify the Customer on any change in the commissions, expenses and fees in writing by registered mail at least 5 (five) business days prior to such change. If the CUSTOMER fails to inform HSBC YATIRIM that s/he does not accept the changes in relation to such amounts and rates and/or wishes to exercise his/her right to terminate the agreement within 5 (five) business days of the date of notification, the CUSTOMER agrees, declares and undertakes that the change in the commissions, expenses and fees shall be started to be applied at the end of the 5th (fifth) business day of the date of their notification.

ARTICLE 14

INVESTMENT OF THE CUSTOMER'S CASH

Interest on the Derivatives Market cash Transaction Guarantees of the CUSTOMER, which shall be deposited to Takasbank, shall be accrued by Takasbank. Interest shall be accrued on cash amounts that are available in the account of the CUSTOMER at HSBC YATIRIM, and are not subjected to any transaction, by HSBC YATIRIM within the framework of "Principles of Use of the Cash in the Accounts" specified in the General Provisions.

RISK NOTIFICATION

GENERAL EXPLANATIONS FOR INVESTORS ABOUT TRANSACTIONS IN FUTURES AND OPTION CONTRACTS

It is imperative that you understand the following issues in addition to the issues that are set out in the “Framework Agreement for the Brokerage of the Trade of Derivative Financial Instruments” which shall be executed between you and the intermediary firm which shall trade on your behalf.

1. The account you shall open at the intermediary firm and all the transactions to be conducted in the Derivatives Market of Borsa İstanbul via this account shall be governed by the provisions of the administrative regulations, including any legislation, which are issued by the Capital Markets Board (CMB), the Stock Exchange and the Clearing House.
2. Derivative financial instruments are subject to varying levels of risks. As a result of the price movements in the market, not only may you lose the entire collateral that you deposited to the intermediary firm, but also your losses may exceed the total amount of your collateral.
3. For each futures contract which you shall trade in the market via the account you shall open at the intermediary firm, and to which you shall deposit the collateral, to be able to take positions at the Derivatives Market of Borsa İstanbul, an initial margin which is at least at the minimum level determined by the Stock Exchange must be deposited.
4. The margin calls to be made by the intermediary firm must be fulfilled within the required time and in the required manner, or otherwise it must be consented to the closing of the position at the market value under the duty of care, even if it entails a loss, with no requirement for any notices.
5. In the presence of certain conditions that are included in the legislation, the Board of Directors of the Stock Exchange is authorized to determine or change the determined maturity dates of the futures and options contracts and close the positions.
6. If you buy an option contract, it is possible for you to limit your risk to the option premium and the commission and other transaction fees that you shall additionally pay, if you do not use the option.
7. If you sell an option, you take on the risk of an unlimited potential loss that can exceed the premium payment you get by selling the option, in case of a relatively small reverse market movement. When asked to fulfill the option, you have no control authority over it. Therefore, only experienced people with high capital should attempt to sell options.
8. There are many variants of options, and before putting yourself under a commitment, you should discuss your investment needs and the risks involved in being a party to standard contracts with your intermediary firm.
9. In an environment where the market is tight, liquidity is very low and the maximum level of price movements is realized, the possibility of the failure to fulfill orders that are requested to be transmitted to the market through the intermediary firm, including “contingent orders” and “strategic orders”, which allow the risk to be limited in market conditions where market makers give quotations at the widest band, if there is market making in the system, should be taken into account.
10. It is normally less risky to take a “spread” (difference or spread) position in a Futures Contract. However, in extraordinary market conditions, the spread position may not always be less risky than directly taking a long or short position in the futures market.
11. Due to the leveraging effects, conducting transactions backed by low levels of collateral can either be to your advantage or to your disadvantage; in light of this, you should be clearly aware that the leverage effect has the potential both to earn you significant returns and to generate losses.
12. The orders you give, other than those for closing your position, may not be realized in the market, if you reach the position limit set by the Stock Exchange on an account and company basis.
13. When price movements in the market develop against the position you have taken, your account can be determined as a “risky” account by the Stock Exchange. In this case, a passive order might not be entered in the Stock Exchange.
14. You should be aware that information and recommendations provided to you by your intermediary firm regarding the transactions you will make in the derivative markets may be incomplete and in need of verification.
15. You must realize that the results of technical and fundamental analyses regarding the purchase or sale of futures and option contracts conducted by authorized personnel of the intermediary institution may vary according to the person conducting the research and that there is a serious possibility that the outcomes predicted in the analysis will not occur in reality.



- 16. You must be advised that, in foreign exchange securities, in addition to normal market risks listed above, you also incur an exchange rate risk. You must also recognize that there may be a loss in value on a Turkish Lira basis as a result of exchange rate volatility and governments may restrict foreign capital and foreign exchange movements, new and/or additional taxes may be applied and that FX transactions may not be executed on time or in a timely fashion, and you may be exposed to the risk of non-delivery of the physical asset in contracts where delivery is required.
- 17. Before starting your transaction, you are required to obtain confirmation from your intermediary firm about all commissions and other transaction fees that you will be liable to pay. If the aforesaid fees have not been denominated in monetary value (apart from a certain percentage of the contract price), you should request a written statement including clear examples denoting how such fees will be reflected to you. In cases where the commission shall be charged as a percentage, you should agree with the company that such commission shall be charged as a percentage of the contract value, not the money you invested.

This Risk Notification Form for Derivative Financial Instruments has the intention of informing the investor about existing risks in general and may not cover all the risks that may arise from trading of the futures and option contracts and implementation. Accordingly, you should carry out meticulous research prior to engaging your savings in such types of investments.

This Risk Notification Form for Futures and Option Transactions has the intention of informing the customer about existing risks in general and may not cover all the risks that may arise from trading of derivative instruments and option contracts, and implementation. Accordingly, you should carry out meticulous research prior to engaging your savings in such types of investments.

I hereby accept and declare that I have read and understand the abovementioned information; that I have signed this "Risk Notification Form for Derivative Financial Instruments" of my own free will, provided that my right of claim and right of litigation are reserved for any losses I might incur due to the omission or negligence of the Intermediary Firm/Bank during the implementation of these principles, and that following this I have signed the Agreement and received a sample of the Form.

I agree and declare that I have read and understood, and physically received a copy of the General Framework Agreement for Capital Market Transactions consisting of 5 articles, Framework Agreement for Capital Market Transactions consisting of 26 articles, the Special Provisions on the Trade of Derivative Financial Instruments at the Derivatives Market of Borsa İstanbul consisting of 14 articles and the details of the above-mentioned risk notifications.

CUSTOMER

Name/Title:.....

Signature:.....

Date: __ / __ / 20__

HSBC BANK A.Ş.

HSBC YATIRIM MENKUL DEĞERLER A.Ş.

Name/Title:.....

Name/Title:.....

Signature:.....

Signature:.....

Date: __ / __ / 20__

Date: __ / __ / 20__