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BORSA İSTANBUL A.Ş.

LISTING DIRECTIVE

İSTANBUL – 2015

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SECTION I
General Provisions

PART I
Purpose, Grounds, Scope, Definitions and Abbreviations

Article 1 – (1) The purpose of this Directive is:

- (a)** to set down the rules and principles as to listing of capital market instruments, remaining of them in listing, changing of market they are traded, trading of them without listing, delisting and
- (b)** to determine the rules required to be abided by corporations, issuers and fund founders, the capital market instruments of which are listed or traded without listing in the Exchange, limited the transactions listed on the preceding sub-paragraph (a).

Scope:

Article 2 – (1) Corporations, issuers and fund founders, the capital market instruments of which are listed in the Exchange or which has filed an application to the Exchange for listing of their capital market instruments or for trading of them without listing, are subject to provisions of this Directive.

Grounds:

Article 3 – (1) This Directive has been prepared and issued in reliance upon articles 14, 15, 16, 17, 18 and 19 of Borsa İstanbul A.Ş. Regulation on Principles of Stockbrokerage Activities, published in the Official Gazette edition 29150 on 19/10/2014.

Definitions and Abbreviations:

Article 4 – (1) For the purposes and in the context of this Directive:

- a)**“Additional Listing” refers to listing of new shares issued due to capital increase by corporations the shares of which are listed in the Exchange as of the date of application;
- b)**“Asset Lease Company (ALC)” refers to the capital market institution which is founded and established in the form of a joint-stock company solely to issue lease certificates within the framework of Article 61 of the Law;

c)“BIST Main” refers to the market where shares the market value of which is below TRY 100,000,000 according to the actual free float rate and shares not included in BIST-100 index;

ç)“BIST Stars” refers to the market where shares in BIST-100 index and shares the market value of which is equal to or above TRY 100,000,000 according to the actual free float rate are traded;

d)“Board of Directors” refers to Borsa İstanbul A.Ş. Board of Directors.

e)“BRSA” refers to and stands for Banking Regulation and Supervision Agency;

f)“CBRT” refers to and stands for the Central Bank of the Republic of Turkey Co., Inc.;

g)“Central Registry Agency” refers to Central Registry Agency Co., Inc. and/or other central custodians determined by the Board of Directors and approved by the Board;

ğ)“CEO” refers to and stands for Chief Executive Officer of Borsa İstanbul A.Ş.;

h)“CMB” or “Board” refers to and stands for the Capital Markets Board;

ı)“Collective and Structured Products Market” refers to the market where shares of investment trusts, warrants and certificates, fund participation certificates, real estate certificates, structured products & other capital market instruments deemed appropriate by the Board of Directors are traded;

i)“Corporation” refers to a joint-stock company the shares of which are already listed or which has filed an application for listing of its shares;

j)“CRA” stands for Central Registry Agency Co., Inc.;

k)“Emerging Companies Market (ECM)” refers to market where shares of companies with development and growth potential may be traded;

l)“Equity Market for Qualified Investors (EMQI)” refers to a market where shares issued by corporations for direct sale to qualified investors without being offered to public and other capital market instruments approved by Board of Directors are traded only among qualified investors;

m)“Exchange” refers to and stands for Borsa İstanbul A.Ş.;

n)“Financial Institutions” refers to crediting institutions and financial institutions as defined in the Banking Law no. 5411, and financial leasing, factoring and financing companies as defined in the Financial Leasing, Factoring and Financing Companies Law no. 6361;

o)“Fund” refers to Exchange traded investment fund, venture capital investment fund and real estate investment fund subject to the Capital Markets Law numbered 6362,

ö)“Fund Founder” refers to fund founder portfolio management companies, founders of housing finance funds and asset finance funds;

p)“Fund Users” refers to fund users as defined in the Communiqué on Lease Certificates of CMB, no. III-61-1;

r)“General Directorate” refers to CEO or relevant Deputy General Manager of Borsa İstanbul A.Ş.;

s)“Initial Listing” refers to initial listing of capital market instruments in the Exchange;

ş)“Investment Firm” refers to firms as defined in sub-paragraph (v) of first paragraph of Article 3 of the Law;

t)“Issuer” refers to legal entities, funds, housing finance funds, asset finance funds and mortgage financing companies which issue capital market instruments or file an application to the Board for issuance thereof or the capital market instruments of which are offered to public;

u)“Law” refers to and stands for the Capital Markets Law no. 6362 dated 06/12/2012;

ü)“Market Advisor” refers to a company authorized by the Exchange for market advisory services;

v)“Market Advisors List” refers to the list of companies authorized by the Exchange to perform market advisory duties;

y)“Market Advisory Agreement” refers to an agreement entered into by and between on one hand a corporation which files an application for listing of its

shares on ECM, or the shares of which are already traded on ECM, and on the other hand a market advisor and signed by the duly authorized offices of both parties thereto;

z)“Market, platform and system” refers to trading settings created according to types, procedures and principles, or other specified characteristics of the traded capital market instruments;

aa)“Originator” refers to real persons or legal entities as defined in the Communiqué on Lease Certificates of CMB, no. III-61-1, and legal entities as defined in the Communiqué On Asset-Backed and Mortgaged-Backed Securities of CMB, no. III-58.1;

bb)“Pre-Market Trading Platform (PMTP)” refers to the Platform which is established by the Board of Directors and the procedures and principles of which are regulated by PP, for trading in the Exchange without listing of the shares of corporations which are in the status of publicly-held corporations and the shares of which are not traded in the Exchange, within the framework of provisions of second paragraph of Article 16 of the Law;

cc)“Procedures and Principles (PP)” refers to regulations which are approved by Borsa İstanbul A.Ş. CEO and which define the activities and processes and describe the purposes, grounds, timing and format of them in order to guide the implementation and enforcement of this Directive;

çç)“Public Disclosure Platform (PDP)” refers to the system defined in subparagraph (k) of first paragraph of Article 3 of the Law;

dd)“Special-purpose acquisition company” refers to a corporation as defined in the Communiqué on Merger and Demerger of the Board, no. II-23.2;

ee)“Undersecretariat” stands for the Undersecretariat of Treasury;

ff)“Watchlist” refers to the market where shares of corporations in which cases and developments leading to exclusion from BIST Stars, BIST Main, BIST Emerging Companies and Collective and Structured Products Market have occurred, as specified in Article 35 of this Directive, are traded;

PART II

General Listing Principles and Application For Listing

Capital Market Instruments To Be Listed:

Article 5 – (1) Capital market instruments meeting the requirements listed on this Directive may be listed in the Exchange in reliance upon a decision of the Board of Directors. The Board of Directors can, with a prior consent of CMB, determine different listing requirements depending upon types of capital market instruments and market, platform and system where they will be traded, and characteristics of issuer and of investors.

(2) Procedures and principles relating to listing of capital market instruments other than the capital market instruments the listing principles of which are regulated in this Directive will be determined by the Board of Directors with a prior consent of CMB.

(3) Shares of a corporation offered to public are primarily traded in the same trading series in the relevant market. However, shares of a corporation holding different rights are traded separately.

(4) Information on capital market instruments listed in the Exchange is published on the Exchange's internet site. All of the shares of a corporation are required to be listed. However, for corporations the shares of which are traded in ECM, only shares issued through capital increase and shares sold pursuant to 3rd and 5th paragraphs of Article 13 of this Directive are listed.

(5) Capital market instruments start to be trade in the Exchange not earlier than the business day following the date of announcement in PDP.

Application For Listing:

Article 6 – (1) Application for listing is filed by issuer, public offeror, fund founder or investment firm acting as an intermediary in issue.

(2) Applications for listing of shares on ECM are filed jointly by issuer and market advisor.

(3) In applications to the Exchange for initial listing, depending upon the qualification of capital market instruments and issuer, the information and documents determined by the Exchange General Directorate and presented on the Exchange's web site are required to be submitted to the Exchange, in attachment to a petition. Additional information and documents may also be requested, depending on the nature of issue.

(4) In the initial listing applications, the periods covered by the financial statements to be submitted to the Exchange should correspond to the periods of financial statements stipulated in the relevant capital markets regulations.

(5) Issuer or fund founder, public issuers, investment firm acting as an intermediary in issue, or in the case of issues where several investment firms act as intermediaries, consortium leader or co-leaders, market advisor, and if any, guarantor, and independent auditor, and assessment or rating agencies, and those who prepare the legal report are held responsible and liable, depending on their faults and on the requirements of the case, for mistakes or deficiencies in the information and documents submitted to the Exchange under this Directive. In the case of substantial changes or developments in the contents of such information and documents before the start of trading of capital market instruments in the Exchange, these institutions will immediately inform the Exchange thereabout in writing.

(6) The application is decided by the Exchange within 20 business days following full submission to the Exchange of the information and documents that will be requested by the Exchange. In the case of deficient information and documents in the application, or if additional information and documents are needed, the applicant will, within 10 business days following the date of application, be informed in writing or via electronic medium, and be requested to complete the deficiencies within 20 business days. In this case, the aforementioned period of 20 business days starts to count as of the date of submission to the Exchange of all of the said deficient or additional information and documents. In the case of reasonable causes and upon demand of the applicant, the Exchange may grant to the applicant an additional time of up to 20 business days. If the deficient information and documents are not completed within the period of time granted by the Exchange, or otherwise, applications which cannot be completed within 100 days following the date of application for any reason not attributable to the Exchange can be cancelled.

SECTION II

Listing Requirements

PART I

General Principles

General Listing Principles:

Article 7 – (1) Equity Market is comprised of BIST Stars, BIST Main, BIST Emerging Companies, Collective and Structured Products, Equity Market for Qualified Investors and Watchlist.

(2) Shares of corporations listed for the first time can be traded on BIST Stars, BIST Main, Collective and Structured Products, Equity Market for Qualified Investors or BIST Emerging Companies.

(3) Except the applicants of investment trusts for trading in Equity Market for Qualified Investors, the corporations which file an application for listing for trading of their shares should not meet the requirements of exclusion from the scope of the Law, as specified in second paragraph of Article 5 of the Communiqué on Shares Communiqué of CMB, no. VII-128.1. Said requirements are not applicable on and for public administrations covered by the general budget, special budgeted administrations, corporations covered by privatization, and corporations with public corporation.

(4) Upon detection of any defects which may prevent secure, transparent, efficient, stable, fair and competitive operation of the Exchange, the Board of Directors is authorized to refuse the application for listing of capital market instrument, or to decide its trading on a market different from the market the listing requirements of which are met, or to transfer the shares traded on other markets to the Watchlist, by stating the reasons therefor.

(5) Except for applications filed for warrants, certificates and funds, and shares to be traded on EMQI and capital market instruments issued for trading among qualified investors, the Board of Directors will, even if all of the relevant listing requirements are met, ask for the members of the board of directors and general manager and shareholders holding the management control of corporation or issuer the requirement of not being condemned for crimes listed on the capital markets laws and regulations and the Banking Law no. 5411 dated 19/10/2005, or laundering of assets acquired as a result of offense dealt with in Article 282 of the Turkish Criminal Code no. 5237 dated 26/09/2004, or breach of the laws and regulations pertaining to money lending business, crimes against security of the State, crimes against the constitutional order and its modus operandi, crimes against national

defense, crimes against the State secrets, and espionage, embezzlement, malversation, bribery, theft, swindling, fraud, abuse of confidence, breach of faith, fraudulent bankruptcy, prevention or distortion of information system, destruction or modification of data, abuse or misuse of debit or credit cards, smuggling, tax evasion or unjustified benefit, and the requirement of not being sentenced to imprisonment for 5 years or more due to malicious misconduct even if the periods mentioned in Article 53 of the Turkish Criminal Code have passed. Such requirements are required to be evidenced and documented by a legal report issued by a lawyer not having any direct or indirect relationship with the corporation.

(6) Except for corporations the shares of which are delisted by their own will and volition, if and when the corporations the shares of which are delisted have other capital market instruments traded in the Exchange, such capital market instruments may also be delisted if approved by the Board of Directors.

PART II

Listing Requirements of Shares

BIST Stars and BIST Main Listing Requirements:

Article 8 – (1) In the case of applications filed for initial listing of shares, the application must have been made for the whole amount of capital of the relevant corporation, and:

- (a)** a minimum period of 2 calendar years must have passed since the foundation of the corporation (For the purposes of this paragraph, periods of a corporation while it is in the status of any corporation other than the joint-stock company are also taken into consideration in calculation of 2 years. In the case of application of a new corporation founded as a holding company upon acquisition of minimum 51% of capital shares of at least one corporation with an operating period of more than 2 years, the requirement of 2 calendar years is not asked for such holding company. Provided, however, that shareholders' equity of subsidiaries with at least 2 calendar years passed since the date of foundation must not be below 50% of shareholders' equity of new corporation founded as a holding company, and their total assets must not be below 50% of total assets of new corporation founded as a holding company.); and
- (b)** the corporation must meet all requirements of any one of the following groups:

	BIST Stars Group 1	BIST Stars Group 2	BIST Main Group 1	BIST Main Group 2
Market value of shares offered to public	Minimum TRY 250,000,000	Minimum TRY 100,000,000	Minimum TRY 50,000,000	Minimum TRY 25,000,000
Total market value	Minimum TRY 1,000,000,000	Minimum TRY 400,000,000	-	-
Net profit in annual financial statements of the past years audited by independent auditors	Last 2 years	Last 2 years	Last 2 years	Last 2 years
Minimum ratio of nominal value of shares offered to public to the capital	5%	10%	15%	25%
Shareholders' Equity / Capital Ratio in the recent financial statements audited by independent auditors	Over 0.75	Over 1	Over 1	Over 1.25

- (1) Shares bought by investors who purchase shares of corporations offered to public, corresponding to 10% or more of the capital after public offering, and shares purchased by Directors and general manager of corporation or by those working in positions equivalent to or superior from general manager in terms of authorizations and duties or by top echelon managers directly reporting to them (in the position of Deputy General Manager or similar or equivalent positions) are not taken into consideration in calculation of the ratio of nominal value of shares offered to public to the capital, and in calculation of market value of publicly held shares.
- (2) Under sub-paragraph (a) of this paragraph, in the case of application of a new corporation founded as a holding company, except for a financial holding, upon acquisition of minimum 51% of shares of at least one corporation with an operating period of more than 2 years, the requirement of "Net profit in annual financial statements of the past years audited by independent auditors" as specified in the table hereinabove must have been met by the subsidiary of the said holding having the highest share in net total sales shown in the "Profit or Loss and Other Comprehensive Income Statement".
- (3) In corporations announcing consolidated financial statements, shareholders' equity is taken into consideration as shareholders' equity / capital ratio.

- (c) financial situation of the corporation must enable it to carry out its business operations in a sound manner; and
- (ç) shares of the corporation must not be restricted by encumbrances precluding the shareholder from using its shareholding rights, and its articles of association must not contain provisions restricting the transfer and circulation of shares to be traded in the Exchange; and
- (d) for causes other than the cases which may be accepted to be valid by the Exchange, the corporation must not have suspended its business activities and operations for more than 3 months during the last 2 years, and the corporation is not involved in any form of liquidation, composition or suspension of bankruptcy and being subjected to similar other cases determined by the Exchange; and

(e) the corporation must not be subject to significant legal disputes affecting its production and other activities, and it must have been documented by a legal report issued by a lawyer not having any direct or indirect relationship with the corporation that the legal situation of the corporation in terms of its establishment and business operations and the legal situation of its shares are in compliance with the applicable laws and regulations.

(2) In the case of listing of characteristic shares in terms of rights associated thereto, such as privileged shares, the requirements of listing determined for non-privileged shares are asked for.

(3) In cases where the application for listing for Stars Market does not satisfy the conditions of "the annual profit in the independently audited annual financial statements" and/or the "equity capital ratio in the latest independently audited financial statements", which are stated in the item (b) of the first paragraph of this article, the Board may decide to list the shares at Stars Market by specifying its reasons, while taking into account the submitted information about the company's operations, financial structure and use of IPO funds, provided that other conditions are met in the item (b) and given that

-It has operating profit in the independently audited last year and the related interim financial statements,

- Positive equity in the last independently audited financial statements but if this requirement is not satisfied applications should be made for in BIST Stars Group 1,

-The shareholders' equity/capital ratio to be calculated by addition of nominal value of capital increased with premiums of shares to be acquired upon public offering to classified in shareholders' equity in the last financial statements audited by independent auditors is required to be more than the ratio mentioned in table in article 8-b,

-the public offering is made through only by capital increase or joint sales together capital increase,

taking into consideration the information of the company presented, the Exchange may take into account the depreciation and the amortization amounts that do not require cash outflows in the calculation of operating profit. In applications to be considered in BIST Stars Group 1 within this article, if the "market value of shares offered to public requirement" is not satisfied after the initial public offering, listing application is not applicable for BIST Stars Group 2.

Listing in BIST Main of Shares of Publicly-held Corporations the Shares of Which are not Traded in the Exchange:

Article 9 – (1) Shares of publicly-held corporations, whose shares are not traded in the Exchange, may be started to be traded in the BIST Main without offering to public, only if and to the extent all of the requirements of any one of the groups specified for the BIST Main in Article 8 of the Directive are met.

(2) If and when the Board of Directors comes to the conclusion that the conditions specified in sub-paragraphs (a), (c), (ç), (d) and (e) of paragraph 1 of Article 8 of the Directive are satisfied, within 2 months following the date of notification of the decision to the corporation, the shares equal to the “ratio of shares offered to public to the capital” in groups specified for the BIST Main in the table given in sub-paragraph (b) of paragraph 1 of Article 8 of the Directive must have been registered in CRA as tradable in the Exchange, and the market value of these shares must satisfy the condition of “market value of the shares offered to public” included in the same group. In calculation of market value of the shares registered in CRA, the reference price to be figured out as arithmetical average of prices to be determined by valuation report to be issued by two separate institutions authorized by CMB within 1 month prior to the date of application will be taken into consideration.

(3) Shares of the corporation which meets the said requirements are started to be traded in the BIST Main starting from the 2nd business day following the date of announcement to be made in PDP upon approval of the General Directorate after the prospectus approved by the Board is published in PDP. Price valuation reports are also announced in PDP, together with the prospectus approved by CMB.

(4) Shares of these corporations are started to be traded with free margin in the first session in the first day of trading in the Exchange. In the subsequent process, the trading principles valid and enforceable in the BIST Main are applied.

Listing in Equity Market for Qualified Investors:

Article 10 – (1)

- (a) Non-publicly-held corporations which issue shares to qualified investors in the Exchange or outside the Exchange without offering to public, and existing partners of these corporations;
- (b) publicly-held corporations the shares of which are not traded in the Exchange

may file an application for listing of their shares for trading in EMQI.

(2) The applications for listing of these shares may be acceptable only if and when:

- (a) the issue document is approved by CMB;
- (b) the articles of association of the corporation does not contain clauses restricting the transfer and circulation of the shares to be traded;
- (c) the corporation must not be subject to significant legal disputes affecting its production and other activities, and it must have been documented by a legal report issued by a lawyer not having any direct or indirect relationship with the corporation that the legal situation of the corporation in terms of its establishment and business operations and the legal situation of its shares are in compliance with the applicable laws and regulations;
- (c) as a result of an assessment made by considering the financial situation and operations of the corporation, the Board of Directors must have taken a positive decision for trading of shares in EMQI;
- (d) the recent annual and relevant interim period independent audit reports must contain positive opinions.

(3) Existing shareholders of corporations, the shares of which are listed in EMQI, may sell their existing shares in this market as of the date of listing, even if they are not classified as qualified investors.

(4) Capital market instruments to be traded in the Collective Investment Products and Structured Products Market that are sold to qualified investors will be traded in this market.

Listing Requirements of Shares of Special-Purpose Acquisition Company:

Article 11 – (1) For initial listing of shares to be issued by a special-purpose acquisition company through public offering:

- (a)** market value of shares of corporation offered to public must be minimum TRY 200 million, and the ratio of its shares offered to public to its paid-in or issued capital after public offering must be at least 50%;
- (b)** at least 80% of its shares offered to public must have been sold to institutional investors;
- (c)** the ratio of total sum of shares held by its founders, directors and authorized managerial staff members to capital of corporation must be at least 10%;
- (ç)** its founders, directors and authorized managerial staff members must agree and undertake to the Exchange that the shares held by them before public offering will not be sold in the Exchange or outside the Exchange during the period from the date of public offering to the date of merger and during the period of 12 months following the end of the merger process.

(2) An application may be filed also for trading of shares of a special-purpose acquisition company in EMQI. In this case, the application is acceptable only if and to the extent the listing requirements for trading in EMQI, other than the requirements specified in sub-paragraphs (c), (ç) and (d), are met.

(3) Upon dissolution of a corporation and its merger with the acquiring company, shares of the acquiree company may be listed for trading in the Exchange only if and when all of the listing requirements specified in Article 8 of this Directive are met. Calculation of the requirement of “market value of shares offered to public” mentioned in sub-paragraph (b) of first paragraph of Article 8 of this Directive is based on a reference price calculated within the framework of the principles stipulated in the regulations of the Exchange pertaining to calculation of reference price in mergers and demergers, and calculation of the requirement of “ratio of shares offered to public to the paid or issued capital” is based on the post-merger free float rate of the corporation. If these corporations do not meet the requirements specified in Article 8, an application may be filed for trading of shares in EMQI.

Listing Requirements of Shares of Investment Trusts:

Article 12 – (1) Shares of investment trusts are traded on Collective and Structured Products Market. The following requirements are asked for in listing of shares issued by investment trusts:

- (a)** articles of association of the corporation must not contain provisions restricting the transfer and circulation of shares to be traded in the Exchange or precluding the shareholders from using their rights;
 - (b)** the corporation must not be subject to significant legal disputes affecting its production and other activities, and it must have been documented by a legal report issued by a lawyer not having any direct or indirect relationship with the corporation that the legal situation of the corporation in terms of its establishment and business operations and the legal situation of its shares are in compliance with the applicable laws and regulations.
- (2)** In the case of change of fields of operation of an investment trust the shares of which are traded in the Exchange, by considering the post-change operations of the corporation, the situation of the corporation in terms of listing requirements will be considered, and the market where shares will be traded will be determined, by the Board of Directors.
- (3)** In cases where the shares of investment trusts are issued to qualified investors, such shares shall be traded in the Qualified Investors Market if investment trust makes an application and the conditions of the first paragraph of this Article are met.

ECM Listing Requirements:

Article 13 – (1) For listing and trading of shares of a corporation on ECM:

- (a)** the market advisor must provide a statement of approval and compliance confirming that shares of corporation are complied with trading on ECM, and the Market Advisor Report attached to this statement must give positive opinions about the corporation;
- (b)** as a result of an assessment made by considering the financial situation and operations of the corporation, the Exchange Board of Directors must have taken a positive decision for trading of shares on ECM;

- (c)** articles of association of the corporation must not contain provisions restricting the transfer and circulation of shares to be traded, or precluding the shareholders from using their rights;
 - (ç)** the corporation must not be subject to significant legal disputes affecting its production and other activities, and it must have been documented by a legal report issued by a lawyer not having any direct or indirect relationship with the corporation and market advisor that the legal situation of the corporation in terms of its establishment and business operations and the legal situation of its shares are in compliance with the applicable laws and regulations;
 - (d)** a market advisory agreement valid for a minimum of two years as of the date of application must have been signed between the corporation and a market advisor included in the Market Advisors List (if the remaining period as of the date of decision relating to the listing of shares is less than one year, the Exchange may demand that the term of agreement be extended);
 - (e)** according to the recent financial statements to be included in the prospectus, total shareholders' equity of the corporation must be over its capital;
 - (f)** for causes other than the cases which may be accepted to be valid by the Exchange, the corporations must not have suspended its business activities and operations for more than 3 months during the last 2 years, and the corporation is not involved in or subject to any form of liquidation, composition or suspension of bankruptcy and being subject to similar other cases determined by the Exchange.
- (2)** If the corporation satisfies the requirements specified in subparagraph (b) of first paragraph of Article 8 of this Directive as asked for the initial listing applications to be filed to BIST Stars and BIST Main, an application cannot be filed for listing of shares of the corporation on ECM. However, the provisions of this paragraph are not applicable for corporations whose application to BIST Stars and BIST Main is refused by the Exchange.
- (3)** Without prejudice to the provisions of 5th paragraph of this Article, an application for trading on ECM is filed only for shares to be issued as a result of a capital increase to be made through partial or full restriction of the rights of existing shareholders on newly issued shares. Provided, however, that after the end of two years following the date of starting of trading of the corporation's shares on ECM, shareholders of the corporation

before public offering, or purchasers of shares of these shareholders outside the Exchange can sell their shares in ECM providing that the free float rate of the corporation does not exceed 49% except for sales of shares mentioned in 5th paragraph of this Article. If and when the shares of the corporation, which is suspended from trading permanently, listed in the ECM again, periods of the corporation while it is out of the Exchange are not taken into consideration in calculation of 2 years.

(4) Shares must be sold through public offering only in the primary market in the Exchange.

(5) Without prejudice to the provisions of regulations of the Board, angel investors certified by the Undersecretariat and venture capital investment trusts and venture capital investment funds may offer their shares in the corporation for sale during the public offering or as after the date the shares are started to be traded in the Exchange, without being subject to provisions of 3rd paragraph of this Article, providing that they do not act as a founding partner, and they have become a partner of the corporation at least one year prior to the date of public offering, and they are not classified in the trade exclusion list by CMB.

(6) Shares sold pursuant to 3rd and 5th paragraphs of this Article are listed by the Exchange without any further decision, and are not considered as a part of additional listing.

PART III

Listing of Structured Products

Listing Requirements for Covered Warrants, Certificates and Other Structured Products

Article 14 – (1) For trading of covered warrants and Certificates in the Exchange, the warrant issuer or investment firms files an application to the Exchange under the same principles with those relating to the application to CMB. The application is required to be filed within 3 months following the date of decision of the Board of Director of the issuer. If and when an application filed for trading in the Exchange of warrants and Certificates included within a certain cap of issue is found acceptable by the Exchange, at least 2 business days prior to sales of each tranche to be issued within the limit, an application is filed to the Exchange, together with documents listed on the Exchange web site. The covered warrants and Certificates to be

offered for sale will start trading in the Collective and Structured Products Market in the first business day following the Exchange's announcement.

(2) Covered warrants and Certificates can be listed in the Exchange only if and when:

(a) application is filed for the whole issuance limit;

(b) there is a market maker having the qualifications specified in the regulations of the Board pertaining to Warrants and Certificates.

(3) Structured products other than covered warrants and certificates are listed without further evaluation by the Exchange following the approval of the prospectus or issuance document by the Capital Markets Board and finalization of the sale.

(4) Those covered warrants, certificates and other structured products issued through a public offering are traded in the Collective Investment Products and Structured Products Market, and those issued to qualified investors are traded in the Qualified Investors Market.

Listing Requirements For Real Estate Certificates To Be Issued Through Public Offering or Issued For Sale to Qualified Investors:

Article 15 – (1) Real estate certificates to be issued through public offering or issued for qualified investors are listed following the approval of the prospectus or issuance document by the Capital Markets Board after taking opinion of the Exchange, and finalization of the sale.

(2) Real estate certificates to be issued through public offering are traded at Collective and Structured Products Market, and the ones sold to qualified investors are traded at Equity Market for Qualified Investors.

Listing of Fund Participation Certificates:

Article 16 – (1) Fund participation certificates are, without any assessment or any decision of the Exchange, listed in the Exchange upon an application of the fund founder following approval of the prospectus or issue documents by CMB. Those fund participation certificates issued through a public offering are traded in the Collective Investment Products and Structured Products Market, and those issued to qualified investors are traded in the Qualified Investors Market.

PART IV
Listing of Debt Securities and Lease Certificates

General Principles:

Article 17 – (1) Debt securities and lease certificates offered to public or issued for sale to qualified investors can be listed by and traded in the Exchange.

(2) An application for listing of debt securities and lease certificates may be filed for a one-off issue covering a pre-determined amount in full, or may be filed in such manner to cover all of the issues to be made in ranks within a ceiling of issue to be approved by the Board within a certain period of time.

(3) In the case of issues made in ranks within a ceiling of issue approved by the Board, in each of such issues, an application is filed for trading of the relevant capital market instruments in the Exchange. The portion of capital market instruments the sale of which is completed will start trading in the Debt Securities Market following an announcement in PDP. However according to type of lease certificate, Board of Directors may decide them to be traded on Equity Market. Lease certificates to be issued through public offering may be traded at Collective and Structured Products Market, and the ones sold to qualified investors may be traded at Equity Market for Qualified Investors.

(4) In the event that capital market instruments whose sales has been renounced or that have not been sold partly or entirely in the course of sales by the issuer through public offering are offered for sales within the relevant ceiling of issue approved by the Board, it will immediately be reported to the Exchange.

Listing Requirements For Debt Securities To Be Issued Through Public Offering:

Article 18 – (1) In order for debt securities to be issued through public offering to be listed in the Exchange:

- (a)** at least 2 calendar years must have passed since the establishment of the issuer;
- (b)** according to its recent financial statements prepared upon to CMB regulations and audited by independent auditors, its total

shareholders' equity must be greater than its capital, and it must have obtained a net profit of period in at least one of its financial statements relating to the last 2 annual accounting periods;

(c) financial situation of the issuer must enable it to carry out and continue its business operations in a healthy manner;

(ç) the issuer must not be subject to significant legal disputes affecting its production and other activities, and it must have been documented by a legal report issued by a lawyer not having any direct or indirect relationship with the issuer that the legal situation of the issuer in terms of its establishment and business operations and the legal situation of its debt securities are in compliance with the applicable laws and regulations.

(2) However, if the issuer's shares are traded in BIST Stars, BIST Main or Collective and Structured Products markets in the Exchange, or the issuer is a bank supervised by BRSA in terms of establishment and operating licenses, and a prior consent of BRSA has been taken for issue of debt securities, or the issuer is an investment firm supervised by and subject to the Capital Markets Law in terms of establishment and operating licenses, then the requirements set forth in first paragraph of this Article and 5th paragraph of Article 7 of this Directive are not asked for.

(3) The requirements set forth in the first paragraph of this Article are not asked for issues of asset backed or mortgage backed securities and of covered securities.

Listing Requirements For Lease Certificates To Be Issued Through Public Offering:

Article 19 – (1) Lease certificates to be issued through public offering are, without any assessment by the Exchange, listed following the approval of the prospectus by CMB and after completion of sales.

Listing of Debt Securities and Lease Certificates Issued For Sale to Qualified Investors:

Article 20 – (1) Debt securities and lease certificates issued for sale to qualified investors are, without any assessment by the Exchange, listed following approval of the prospectus by CMB and after completion of sales.

(2) The issue may also be made in the Offering Market for Qualified Investors in the Exchange. Accordingly, issuers file an application to the Exchange for sales of capital market instruments to be issued in the Offering Market for Qualified Investors and after completion of sales, for trading of them only among qualified investors in the Outright Purchases and Sales Market of Debt Securities Market, together with all information and documents listed in the Exchange internet site. The investment firm which will act as an intermediary in sales of capital market instruments decided to be listed as of the starting date of sales sends a trading notice at least 2 business days prior to the date of sales. Information on the issue is published in PDP one day prior to the date of sales at the latest.

(3) In the Offering Market for Qualified Investors, only “Qualified Investors” defined in the capital markets regulations may buy debt securities. It is the responsibility of the investment firms acting as an intermediary in trading within the framework of CMB regulations to check and follow up whether investors are by nature qualified investors or not.

(4) Capital market instruments the issue of which is completed in the Offering Market for Qualified Investors in the Exchange are started to be traded only among qualified investors without being subject to any requirement, in the business day following the date of completion of sales or termination of the period of sales.

(5) The period of sales cannot be more than 10 business days for the issue in the market. However, the portion of the issue which cannot be sold within the period of sales may be resold in the market by requesting additional period of time from the Exchange General Directorate.

PART V

Listing of Capital Market Instruments of Government Entities

Principles of Listing:

Article 21 – (1) Capital market instruments which belong to Public Administrations Covered by the General Budget or to Special Budgeted Administrations listed in the attachment to the Public Financial Management and Control Law no. 5018 dated 10/12/2003, that alone or jointly hold more than half of capital or have management control irrespective of this rate, or which are issued/to be issued either by subsidiaries where these corporations hold capital shares of the same rate or have management control irrespective of this rate, or by directly by these Administrations are listed in the Exchange without any further decision or transaction.

(2) Capital market instruments issued by CBRT or the Undersecretariat or asset lease companies established by the Undersecretariat or asset lease companies established by Government Entities charged by the Undersecretariat are traded without being listed in the Exchange without any further decision or transaction.

(3) In applications for listing of capital market instruments to be issued by local administrations covered by the Public Financial Management and Control Law no. 5018 dated 10/12/2003, or corporations of these administrations, or subsidiaries where these administrations hold capital shares of the same rate, the listing requirements asked for in the relevant articles of this Directive are required to be met.

(4) In the case of sales of the publicly owned shares of corporations, the sales process of which is managed and handled by Republic of Turkey Prime Ministry, Privatization Administration, through public offering, the Board of Directors may decide not to ask for all or some of the requirements specified in Article 8 or Article 7-(5) of this Directive.

(5) The capital market instruments issued by the Turkish Wealth Fund Management A.Ş., Turkish Wealth Fund and its sub-funds and by companies established or mandated by the Turkish Wealth Fund Management A.Ş. are traded on the Exchange without any further procedure or decision.

PART VI

Listing of Capital Market Instruments Issued by Foreign Institutions or of Capital Market Instruments Issued Abroad by Domestic Institutions

Listing Requirements:

Article 22 – (1) Without prejudice to the provisions of relevant regulations of the CMB, in listing of capital market instruments, also including depository certificates, issued or to be issued by foreign institutions in Turkey or abroad, and of capital market instruments issued abroad by domestic institutions, the listing requirements specified in the relevant articles of this Directive are required.

(2) In the case of listing of share of foreign corporations by dual listing without public offering, the values current in the relevant Exchange as of the date of decision are taken into consideration for the ratio of shares offered to

public to the paid or issued capital and for the market value of shares offered to public as mentioned in sub-paragraph (b) of first paragraph of Article 8 of this Directive.

(3) As a fast track listing, capital market instruments traded in main markets of foreign exchanges to be determined by the Board of Directors may unconditionally be listed and traded providing that the prospectus or issue document is approved by CMB.

(4) The Board of Directors may impose additional requirements or may decide not to apply some certain requirements according to the rights and circulation restrictions of capital market instruments, also including depository certificates, or according to the legal regulations of the countries where they are issued.

(5) For debt securities issued by foreign corporations in the form of international organizations of which the Undersecretariat and CBRT are members or partners, or by foreign states or by local administrations, the Board of Directors may decide not to ask for all or some of the requirements specified in Part 4 of Second Section of this Directive.

SECTION III **Delisting**

Delisting Requirements of Shares Traded in BIST Stars, BIST Main, BIST Emerging Companies or Watchlist:

Article 23 – (1) In the following cases, the shares traded in BIST Stars, BIST Main, BIST Emerging Companies or Watchlist may be permanently delisted from the Exchange by a decision of the Board of Directors. Before making a decision of delisting, the Board of Directors may warn the relevant corporation to remedy its situation, and may grant a time to the corporation, or may decide to transfer the shares traded in BIST Stars, BIST Main and BIST Emerging Companies to Watchlist, or may take other actions and measures deemed fit.

- (a)** If it is identified that the corporation has not performed its public disclosure obligations;
- (b)** If the corporation does not abide by the regulations issued or the decisions made by the Exchange, or does not give the information requested by the Exchange, or gives deficient or unreal information and documents;

- (c) If the activities of the corporation are suspended for a time longer than 1 (one) year due to reasons other than the cases which may be accepted to be valid by the Exchange;
- (ç) If the corporation is adjudged bankrupt, or its legal entity terminates for any reason whatsoever, or a decision of liquidation taken in the general assembly is registered;
- (d) If the corporation faces with a financial distress in such manner not to be able to continue its business activities;
- (e) If the corporation fails to pay all of the fees required to be paid to the Exchange within 1 year following the last payment date thereof; or
- (f) For businesses whose shareholders' equity is negative in consideration of the total shareholders' equity/capital ratio on its latest annual balance-sheet published on PDP, without prejudice to the process relating to capital increase/decrease, if any; in addition to the calculations to be made on the basis of total shareholders' equity/capital ratio, if the total shareholders' equity/capital ratio continues to remain below the above mentioned threshold following the revaluation of the assets at current values made upon the demand of issuers;
- (g) If its independent audit reports of the last three years published in PDP contain a negative opinion, or the independent auditor refrains from expressing any opinion in the said reports;
- (ğ) If, in its balance sheets of the last three years published in PDP, it is identified that the ratio of its non-commercial receivables from related parties to total assets has exceeded 50%;
- (h) If a corporation the shares of which are traded in BIST Emerging Companies (BEC) fails to sign a new agreement with a new market advisor within four months following the date of termination of its agreement with its market advisor.

Delisting Requirements of Shares of Special-Purpose Acquisition Company (SPAC):

Article 24 – (1) Except for those traded in EMQI, if and when a special-purpose acquisition company :

- (a) does not merge with a company by using at least 80% of total amount of its public offering income, together with interests accrued thereon, within 24 months following the date of approval of its public offering prospectus or if specified in the prospectus, within such other period of time;
- (b) its merger transaction is not approved by the general assembly of the corporation;
- (c) information about its cash management policy, investments and merger transaction is not reported to the Exchange and to the public within the framework of public disclosure principles, or is reported deficiently, misleadingly or with delay;
- (c) its legal entity terminates for any reason whatsoever;
- (d) fails to pay all of the fees required to be paid to the Exchange, within 1 year following the last payment date thereof

then and in this case, its shares may be delisted. Before making a decision of delisting, the Board of Directors may warn the relevant corporation to remedy its situation, or may grant a time to the corporation, or may take other actions and measures deemed fit.

Delisting Requirements of Shares of Investment Trusts:

Article 25 – (1) Shares of investment trusts may be delisted by a decision of the Board of Directors upon occurrence of the following cases. Before making a decision of delisting, the Board of Directors may warn the relevant corporation to remedy its situation, and may grant a time to the corporation, or may decide to transfer the shares to Watchlist, or may take other actions and measures deemed fit.

- (a) If it is identified that the corporation has not performed its public disclosure obligations;
- (b) If the corporation does not abide by the regulations issued or the decisions made by the Exchange, or does not give the information requested by the Exchange, or gives deficient or unreal information and documents;

- (c) If the corporation is adjudged bankrupt, or its legal entity terminates for any reason whatsoever, or a decision of liquidation made in the general assembly is registered;
 - (ç) If the corporation fails to pay all of the fees required to be paid to the Exchange within 1 year following the last payment date thereof;
 - (d) For businesses whose shareholders' equity is negative in consideration of the total shareholders' equity/capital ratio on its latest annual balance-sheet published on PDP, without prejudice to the process relating to capital increase/decrease, if any; in addition to the calculations to be made on the basis of total shareholders' equity/capital ratio, if the total shareholders' equity/capital ratio continues to remain below the above mentioned threshold following the revaluation of the assets at current values made upon the demand of issuers;
 - (e) If the activities of the corporation are suspended for a time longer than 1 (one) year due to reasons other than the cases which may be accepted to be valid by the Exchange
 - (f) If its independent audit reports of the last three years published in PDP contain a negative opinion, or the independent auditor refrains from expressing any opinion in the said reports.
- (2) For investment trusts, whose total shareholders' equity /capital ratio on its latest annual balance-sheet published on PDP falls below 1/3, without prejudice to the process relating to capital increase/decrease, if any; in addition to the calculations to be made on the basis of total shareholders' equity /capital ratio, if the total shareholders' equity/capital ratio continues to remain below the above mentioned threshold following the revaluation of the assets at current values made upon the demand of issuers, the Board may, without making a decision for de-listing, warn the relevant investment trust to rectify its situation, grant a period of time to the investment trust, decide to transfer the shares to the Watchlist Companies Market or take the precautions it may deem fit.

Delisting Requirements of Equity Market for Qualified Investors (EMQI):

Article 26 – (1) Shares of corporations listed in EMQI may be permanently delisted by a decision of the Board of Directors in the following cases. Before taking a decision of delisting, the Board of Directors may warn the relevant corporation to remedy its situation, and may grant a time to the corporation, or may take other actions and measures deemed fit.

- (a) If the corporation does not abide by the regulations issued or the decisions made by the Exchange, or does not give the information requested by the Exchange, or gives deficient or unreal information and documents;
- (b) If it is identified that the corporation has not performed its public disclosure obligations;
- (c) If the corporation fails to pay all of the fees required to be paid to the Exchange within 1 year following the last payment date thereof;
- (ç) If the corporation is adjudged bankrupt, or its legal entity terminates for any reason whatsoever, or a decision of liquidation made in the general assembly is registered.

(2) The provisions of sub-paragraph (b) of first paragraph of this Article are not applied for shares of a special purpose acquisition company traded in EMQI.

(3) Of those capital market instruments traded on MQI;

a) Shares of investment trusts are delisted within the scope of Article 25, covered warrants and certificates are delisted within the scope of Article 30 of the Directive, fund participation certificates are delisted within the scope of Article 31.

b) Other structured products are delisted on maturity without further procedure or decision.

Delisting From Exchange Voluntarily:

Article 27 – (1) Corporations, issuers or fund founders may apply to the Exchange and request delisting of capital market instruments listed in the Exchange within the framework of relevant regulations of CMB. Said capital market instruments are delisted by a decision of the Board of Directors if and when the processes mentioned in the applicable regulations are completed.

Relisting of Delisted Shares in the Exchange:

Article 28 – (1) The Board of Directors may decide relisting of shares delisted from the Exchange upon an application of the corporation. In order for the shares delisted from the Exchange to be relisted in the Exchange, without prejudice to the requirements of delisting:

- (a)** if the corporation shares with 1 year or a shorter period of time elapsed since the date of delisting from the Exchange:
 - 1)** are delisted for reasons listed in sub-paragraphs (a), (b), (e) and (h) of first paragraph of Article 23, or sub-paragraphs (c) and (d) of first paragraph of Article 24, or sub-paragraphs (a), (b) and (ç) of first paragraph of Article 25, or sub-paragraphs (a), (b) and (c) of first paragraph of Article 26 of this Directive, then and in this case, said reasons must have been eliminated and other requirements, if any, specified in the relevant decision of the Board of Directors must have been met;
 - 2)** are delisted for reasons listed in sub-paragraphs (c), (ç), (d), (f), (g) and (ğ) of first paragraph of Article 23, or sub-paragraphs (a), (b) and (ç) of first paragraph of Article 24, or sub-paragraphs (c), (d) and (e) of first paragraph of Article 25, or sub-paragraph (ç) of first paragraph of Article 26 of this Directive, then and in this case, said reasons must have been eliminated and other requirements, if any, specified in the relevant decision of the Board of Directors must have been met, and all of the listing requirements asked for in the relevant article of this Directive must have been met;
- (b)** if a period longer than 1 year has elapsed since the date of delisting from the Exchange, then and in this case, the requirements of delisting must have been eliminated and other requirements, if any, specified in the relevant decision of the Board of Directors must have been met, and all of the requirements of listing asked for in the relevant article of this Directive must have been met.
- (2)** If, as of the date of application filed for relisting of shares delisted from the Exchange, other requirements of delisting have occurred, then and in this case, the Board of Directors may, by providing the reason, decide not to relist the shares or decide to transfer the shares to Watchlist, except for the shares traded in EMQI.
- (3)** Shares of corporations covered by sub-paragraph (a/1) of first paragraph hereof are started to be traded again in the same market where they are delisted. The following principles are applied in determining the

market in which the shares of corporations covered by sub-paragraphs (a/2) and (b) of first paragraph hereof will be traded again when they are relisted:

- (a)** Shares delisted from BIST Stars, BIST Main or Watchlist will be started to be traded again in BIST Main if the requirements of listing specified in Article 8 of this Directive are met, or in Watchlist if said requirements cannot be met. These shares are not listed in BIST Stars at the first stage. For the application of this provision, in assessment of the requirement of market value of shares offered to public in the groups stipulated for BIST Main in the table given in sub-paragraph (b) of first paragraph of Article 8 of this Directive, the reference price to be found as arithmetical average of prices to be determined by a price determination report to be issued by two separate institutions authorized by CMB will be multiplied by nominal value of shares in actual free float as shown in the recent CRA records, and the resulting value will be used, and the ratio of nominal value of shares in actual free float as shown in the recent CRA records to capital will be taken as the ratio of public float portion to capital.
- (b)** Shares delisted from the BIST Emerging Companies are started to be traded again in the BIST Emerging Companies if the requirements specified in Article 13 of this Directive are met. If the requirements specified in Article 13 of this Directive are not met, the shares may be started to be traded in the Watchlist. However, in this case, the provisions of 4th paragraph of Article 35 of this Directive are applied.
- (c)** Shares delisted from Collective and Structured Products Market are started to be traded again in the Collective and Structured Products Market if the requirements specified in Article 12 of this Directive are met, or are started to be traded again in the Watchlist if the said requirements are not met.
- (ç)** Shares delisted from EMQI are started to be traded again in the same market if the listing requirements asked for in Article 10 of this Directive are met totally. These shares are not taken into the Watchlist if the listing requirements cannot be met.

Delisting Requirements of Debt Securities and Lease Certificates and Real Estate Certificates:

Article 29 – (1) Upon occurrence of the following cases, debt securities, lease certificates and real estate certificates may be continuously delisted from the Exchange by a decision of the Board of Directors. Before making a

decision of delisting, the Board of Directors may warn the relevant issuer, originator or fund user to remedy its situation, and may grant a time thereto, may decide to change the market as set out in the fourth paragraph of this Article, or may take other actions and measures deemed necessary. If and when the issuer, originator or fund user:

- (a)** does not abide by the regulations issued or the decisions made by the Exchange, or does not give the information requested by the Exchange, or gives deficient or unreal information and documents;
 - (b)** is adjudged bankrupt, or its legal entity terminates for any reason whatsoever, or a decision of liquidation taken in the general assembly is registered;
 - (c)** faces with a financial distress in such manner not to be able to continue its business activities;
 - (ç)** fails to pay all of the fees required to be paid to the Exchange within 1 year following the last payment date thereof;
 - (d)** becomes inactive and inoperative due to cancellation or otherwise invalidation of its licenses, authorizations or permissions required for continuity of its business activities;
 - (e)** fails to perform its payment or other obligations or liabilities relating to capital market instruments, or takes actions which may preclude the holders of debt securities or lease certificates or real estate certificates from using their rights
 - (f)** suspends its activities for a time longer than 1 (one) year due to reasons other than the cases which may be accepted to be valid by the Exchange.
- (2)** The provisions of sub-paragraphs (c), (d) and (f) of first paragraph of this Article are not applied for asset backed or mortgage backed securities or covered bonds or lease certificates, or real estate certificates or debt securities issued to qualified investors.
- (3)** Capital market instruments that expire or are redeemed will be accepted delisted from the Exchange as of the date of expiration or redemption without any further decision or transaction.

(4) Should the conditions envisaged in the first paragraph of this article occur, debt securities and lease certificates traded on the Debt Securities Market Outright Purchases and Sales Market shall be transferred to the Debt Securities Watchlist Market, and real estate certificates and lease certificates traded in the Collective and Structured Products Market and EMQI in the Equity Market shall be transferred to the Equity Market Watchlist Market.

5) In the event that the issuer announces on the Public Disclosure Platform (PDP) that the principal payment for the debt securities cannot be made within the scope of the first paragraph of this article (e), and the issuer announces on PDP, until the redemption date, that the debt security is re-structured by obtaining the approval of a minimum of 50% of the total nominal value of the debt security, the debt security, in its entirety, can be transferred to the Watchlist Market.

(6) In the case that a debt security is transferred to the Watchlist Market under sub-paragraph (e), paragraph one of this article, if any, the other debt securities of the issuer traded on Borsa İstanbul may also be transferred to the Watchlist Market unless Borsa İstanbul approves the restructuring project submitted by the issuer. In the case of a debt security being delisted under sub-paragraph (e), paragraph one of this article, the other debt securities of the issuer traded on Borsa İstanbul may also be delisted unless Borsa İstanbul approves the restructuring project submitted by the issuer.

(7) Debt securities transferred to the Watchlist Market shall not be transferred back to the Outright Purchases and Sales Market. Delisted debt securities shall not be relisted.

Delisting Requirements of Covered Warrants and Certificates:

Article 30 – (1) Covered warrants and certificates which are traded in the Exchange are delisted from the Exchange if and when:

- (a)** they expire;
- (b)** except for basket and index based warrants or certificates, the asset underlying the warrants or certificates is delisted due to merger, acquisition or other reasons;
- (c)** they are delisted before the end of maturity due to circumstances or cases arising out of characteristics of product specified in the prospectus or the announcement of sale;

- (ç) an early redemption request of the issuer is accepted by the Exchange, providing that it is specified so in the prospectus or the announcement of sale,

without any further decision or transaction.

Delisting Requirements of Fund Participation Certificates:

Article 31 – (1) Fund participation certificates traded in the Exchange are delisted from the Exchange if and when:

- (a) the fund is liquidated or converted into a different fund type for any reason whatsoever;
- (b) the fund is terminated;
- (c) a breach of the public disclosure obligation specified in Annex 5 of the Communiqué on Principles of Exchange Traded Funds, no. III-52.2, of the Board is warned three times during the recent one year;
- (ç) the Board states that the relevant fund participation certificates cannot be traded in the Exchange.

SECTION IV Remaining in Listing

Requirements of Remaining in Listing:

Article 32 – (1) Upon occurrence of any one of the following cases, the corporations and issuers the capital market instruments of which are listed in the Exchange will be deemed to have lost the requirements of remaining in listing:

- (a) If they are warned by the Board of Directors 3 times during a calendar year due to not fulfilling public disclosure obligations;
- (b) If their activities are suspended since the last 2 years.

(2) Capital market instruments having lost the requirements of remaining in listing are delisted from the Exchange by the decision of the Board of Directors. Without prejudice to the requirements of delisting, the capital market instruments which are delisted due to the requirement specified in

sub-paragraph (a) of first paragraph of this Article may be relisted as of a date to be determined by the Board of Directors, without being subject to other provisions of listing of this Directive, providing that the said breach of public disclosure obligation is remedied by the relevant corporation or issuer, and the capital market instruments which are delisted due to requirement specified in sub-paragraph (b) of first paragraph of this Article may be relisted only if the requirements of listing specified in this Directive are met.

(3) Corporations and issuers the capital market instruments of which are listed in the Exchange will be assessed for compliance with the requirements of remaining in listing at least once a year.

(4) If, as of the date of application for relisting of the shares delisted from the Exchange, other requirements of delisting are occurred, the Board of Directors may, by providing the reasons, decide not to relist the shares or to take the shares to the Watchlist.

(5) The provisions of sub-paragraphs (a), (b) and (c) of 3rd paragraph of Article 28 hereof are applied in relisting of shares delisted from the Exchange.

(6) The requirements of remaining in listing are not applied to lease certificates, real estate certificates, asset backed and mortgage backed securities, covered bonds, covered warrants and certificates, funds, debt securities traded only among qualified investors, and shares of corporations traded in EMQI.

SECTION V

Intermarket Transfer

Transfer Between BIST Stars and BIST Main:

Article 33 - (1) As a result of a periodical assessment to be made by considering the semi-annual market value averages of shares free floating of the corporations the shares of which are traded in BIST Stars and BIST Main:

(a) out of the corporations the shares of which are traded in BIST Stars, except for those included in BIST 100 index, shares of the corporations of which the average market value of free floating shares is below TRY 100,000,000 are taken into BIST Main; and

(b) out of the corporations the shares of which are traded in BIST Main, shares of the corporations of which the average market value of free floating shares of which is equal to or above TRY 100,000,000 are taken into BIST Stars.

(2) Shares which are included in BIST-100 index at the index calculation periods are taken into BIST Stars. Shares which are excluded from BIST-100 index while being traded in BIST Stars will continue to be traded in BIST Stars until the next periodical assessment. Said shares are taken into BIST Main if, as a result of the next periodical assessment, the market value of shares in free float remains below TRY 100,000,000, and they are not re-included in BIST-100 index.

(3) The periodical assessment covered by this article is conducted twice a year in January and July, by using the semi-annual data relating to July – December and January – June periods. Results of said assessment are decided by the Board of Directors and published in PDP, and the resulting decisions are implemented on the first trading day of the following month. Upon occurrence of such force majeure cases as economic crisis, earthquake and war or upon occurrence of unusual cases and developments in the Exchange transactions or indices, the Board of Directors may decide to postpone the periodical assessment to be made pursuant to and under this Article.

(4) Weighted average prices valid for each trading day included in the calculation period are multiplied by the number of shares in actual free float announced by CRA for the same day to find the daily market value of shares free float. Average market value of shares is found by taking the periodical average of daily market values of shares in actual free float.

(5) Out of the shares which are started to be traded for the first time in the Exchange, those which have, as of the date of assessment, been traded for a period shorter than the total number of days of trading in a semi-annual period will be assessed by considering the number of traded days.

(6) As for the corporations more than one group of shares of which are traded in the Exchange, in the case of change of market under this Article, the average market value of shares free float is calculated separately for each group of shares.

(7) Periodical assessment to be made under this Article, the calculations made in the 6 months period after merger and demerger, the data after the

date on which the share distribution process is complete is taken into account.

Transfer From ECM to BIST Stars or BIST Main:

Article 34 – (1) Upon an application of corporations the shares of which are traded in ECM, the Board of Directors may decide that said shares will be traded in the market the listing requirements of which are met, providing that:

- (a) a minimum period of 2 years has elapsed since the starting date of trading of said corporation shares in ECM;
- (b) the corporation meets the listing requirements specified in Article 8 of this Directive.

(2) In evaluation of such applications of corporations, in calculation of “market value of shares offered to public” and “minimum ratio of nominal value of shares offered to public to the capital”, as mentioned in subparagraph (b) of first paragraph of Article 8 of this Directive, if the period between the date of meeting of the Board of Directors where the application will be decided and the date of recent periodical assessment with respect to market values pursuant to and under Article 33 of this Directive:

- (a) is less than 1 month, then the values determined in the said periodical assessment will be taken into consideration;
- (b) is more than 1 month, then the 6 months average values to be calculated backwards from the last business day of the week prior to the date of meeting of the Board of Directors where the application will be decided will be taken into consideration.

(3) Said shares will be started to be traded in the market, the listing requirements of which are met, as of the second business day following the date of announcement of the decision.

(4) In the case of applications rejected by the Board of Directors under this Article, a re-application cannot be filed before the end of 1 year following the date of decision.

Transfer From BIST Stars, BIST Main, Collective and Structured Products Market and BIST Emerging Companies to Watchlist:

Article 35 – (1) Upon occurrence of the following cases, the shares traded in BIST Stars, BIST Main and BIST Emerging Companies, and the shares of securities investment trusts, real estate investment trusts and venture capital investment trusts traded in Collective and Structured Products Market may be transferred into Watchlist by a decision of the Board of Directors. Other capital market instruments traded in Collective and Structured Products Market are not transferred into Watchlist. Before taking a decision of transfer into Watchlist, the Board of Directors may warn the relevant corporation to remedy its situation, and may grant a time to the corporation, or may take other actions and measures deemed fit.

- (a)** If the corporation's independent audit reports of the last two years published in PDP contain a negative opinion, or the independent auditor refrains from expressing any opinion in the said reports;
- (b)** If the corporation has filed an application for suspension of bankruptcy;
- (c)** If the corporation's activities are suspended for a period of longer than 3 months due to unreasonable causes;
- (ç)** If the corporation had net loss in consecutive 5 annual financial statements, except for the cases reasonable and inevitable by its activities;
- (d)** If the corporation has overdue and outstanding financial, commercial, public or personnel debts to such extent as showing that it is in financial distress, or is subject to execution proceedings or attachments to such extent as affecting its activities;
- (e)** If the corporation becomes inactive and inoperative due to cancellation or otherwise invalidation of its licenses, authorizations or permissions required for continuity of its business activities;
- (f)** For businesses whose total shareholders' equity /capital ratio on its latest annual balance-sheet published on PDP falls below 1/3, without prejudice to the process relating to capital increase/decrease, if any; in addition to the calculations to be made on the basis of total shareholders' equity /capital ratio, if the total shareholders' equity/capital ratio continues to remain below the above mentioned threshold following the revaluation of the assets at current values made upon the demand of issuers,

- (g) If it is found out in each of balance sheets of the last two years published in PDP that the ratio of its non-commercial receivables from related parties to its total assets has exceeded 50%;
- (ğ) If at least 2/3rds of fixed assets of the corporation is lost or transferred to any corporation other than the corporations the financial statements of which are fully consolidated, except for reasons deemed valid by the Exchange.
- (2) For businesses whose total shareholders' equity /capital ratio on its latest annual balance-sheet published on PDP falls below 1/3, before entering into the scope of sub-paragraph (f) of first paragraph of this Article, without prejudice to the process relating to capital increase/decrease, if any; in addition to the calculations to be made on the basis of total shareholders' equity /capital ratio, if the total shareholders' equity/capital ratio continues to remain below the above mentioned threshold following the revaluation of the assets at current values made upon the demand of issuers,
- (3) Until the end of the business day following the decision of the Board of Directors relating to change of market, the trading of the shares are suspended, and in the second business day, the shares are started to be traded in the Watchlist.
- (4) If and when it is decided that the shares of corporations traded in ECM will be continued to be traded in the Watchlist, then and in this case, the shareholders can sell their unlisted shares in ECM within the frame of paragraphs 3 and 5 of Article 13 of this Directive. In this case, the requirement of passage of two years as from the date of starting of trading in ECM, as specified in paragraph 3 of Article 13 hereof, will be valid also for the shares transferred into the Watchlist.

Transfer From Watchlist to BIST Main, BIST Emerging Companies Market or Collective and Structured Products Market:

Article 36 – (1) Shares traded in Watchlist may, upon application of the corporation, be transferred into the market, upon meeting all listing requirements asked for the relevant market in this Directive, providing that the reasons of transfer to the Watchlist are eliminated, and if transferred into Watchlist subject to a certain requirement, such requirement is met, and other cases listed in first paragraph of Article 35 of this Directive do not occur. Said shares are not taken into BIST Stars at the first stage even if

they meet the listing requirements thereof. Shares which are transferred into Watchlist from ECM are not taken into BIST Main even if they meet the listing requirements thereof, before the end of 2 years following the date of starting of trading in ECM. If a period of less than 2 years has passed, these shares are taken into ECM if they meet the listing requirements thereof.

(2) Except the shares transferred from ECM to Watchlist, for the purposes of this Article, the requirement of “market value of shares offered to public” to be taken into consideration for BIST Main group in the table given in sub-paragraph (b) of first paragraph of Article 8 is applied as TRY 10,000,000, and the requirement of “minimum ratio of nominal value of shares offered to public to the capital” is applied as 10%, the requirement of profitability is applied as the last one year, “shareholders’ equity / capital ratio in the recent financial statements audited by independent auditors” is applied as “more than 1”, the period mentioned in sub-paragraph (d) of the same paragraph is applied as 1 year, and the legal report mentioned in sub-paragraph (e) of the same paragraph is not required, providing that the fields of business of the corporation has not changed during the last 1 year.

(3) In assessment of applications of such corporations, free float is taken into consideration in the calculation of “market value of shares offered to public” and “minimum ratio of nominal value of shares offered to public to the capital” mentioned in sub-paragraph (b) of first paragraph of Article 8 of this Directive, and if the period from the date of meeting of the Board of Directors where the application will be decided, to the end of the last periodical assessment period with regard to market values under Article 33 of this Directive:

(a) is less than 1 month, then the values determined in said periodical assessment will be taken into consideration,

(b) is more than 1 month, then the 6 months average values calculated retroactively from the last business day of the week prior to the date of meeting of the Board of Directors where the application will be decided will be taken into consideration.

(4) Said shares will start to be traded in the relevant market in the 2nd business day following the date of announcement of the decision.

(5) In applications not accepted by the Board of Directors under this Article, a re-application cannot be filed before the end of 1 year following the date of decision.

Transfer From PMTP and EMQI to BIST Stars or BIST Main:

Article 37 – (1) Shares of corporations which are traded in PMTP may, upon an application of the corporation, be listed and be traded in the market, providing that the listing requirements specified in Article 8 of this Directive are met.

(2) In assessment of applications of such corporations, free floating is taken into consideration in the calculation of “market value of shares offered to public” and “minimum ratio of nominal value of shares offered to public to the capital” mentioned in sub-paragraph (b) of first paragraph of Article 8 of this Directive, and if the period from the date of meeting of the Board of Directors where the application will be decided, to the end of the last periodical assessment period with regard to market values under Article 33 of this Directive:

(a) is less than 1 month, then the values determined in said periodical assessment will be taken into consideration,

(b) is more than 1 month, then 6 months average values calculated retroactively from the last business day of the week prior to the date of meeting of the Board of Directors where the application will be decided will be taken into consideration.

(3) Price registration of at least 30 days is required during the assessment period of shares of said corporation referred to in second paragraph of this Article.

(4) In calculation of base price to be valid in the first trading day of said corporation shares in BIST Stars or BIST Main, the weighted average price of the last session in PMTP will be taken into consideration, and this price is announced on PDP.

(5) In applications not accepted by the Board of Directors under this Article, a re-application cannot be filed before the end of 1 year following the date of decision.

(6) In applications, the periods covered by the financial statements to be submitted to the Exchange should correspond to the periods of financial statements stipulated in the relevant capital markets regulations.

(7) In order for the shares traded in EMQI to be traded in BIST Stars or BIST Main, the prospectus must have been approved by CMB, and the relevant market's listing requirements must be fully met. In calculation of "market value of shares offered to public" and "minimum ratio of nominal value of shares offered to public to the capital" for these shares, the provisions set forth for PMTP in second paragraph of this Article are applicable in the same way.

SECTION VI

Fees

Listing Fees:

Article 38 – (1) Listing fees tariff is determined by the Board of Directors, and becomes effective after approval of CMB.

SECTION VII

Miscellaneous Provisions

Unlisted Capital Market Instruments:

Article 39 – (1) Unlisted capital market instruments are traded in reliance upon the applicable laws or the decision of the CMB without any further decision of the Exchange.

(2) An approval of the CMB is required for the shares to be traded in PMTP, however an approval of the CMB is not required for trading without listing of capital market instruments issued by TCB, the Undersecretariat, the Asset Lease Companies established by the Undersecretariat, or the Asset Lease Companies established by institutions with public capital assigned by the Undersecretariat.

Listing of Shares Created As a Result of Merger, Acquisition and Demerger:

Article 40 – (1) If and when a corporation the shares of which are listed in the Exchange is dissolved, and all of its assets and liabilities are transferred to another corporation the shares of which are not listed in the Exchange, or a new corporation is founded through merger, then and in this case, for the acquiring or newly founded corporations:

- (a) except for those whose shares are traded in ECM, the initial listing requirements listed in Article 8 of this Directive are applied.
- (b) for those shares whose shares are traded in ECM, the ECM listing requirements listed in Article 13 of this Directive are applied. An application is required to be filed for shares to be issued by the acquiring / newly founded corporations corresponding to, in return of, for the shares listed in ECM before the merger. A listing application cannot be filed for trading in ECM for other shares of the acquiring / newly founded corporations.
- (2) In the case of establishment of a new corporation via partial demerger by keeping the existing shareholder structure through putting as capital in kind part of assets of the corporations listed in the Exchange, except for those the shares of which are traded in ECM, in the listing of shares of the new corporation to be established, the requirements relating to period of activity and profitability, as specified in Article 8 of this Directive, and the legal report referred to in sub-paragraph (e) thereof are not required for, and these corporation shares can be listed in the market the listing requirements of which are met.
- (3) In the case of establishment of a new corporation via partial demerger by keeping the existing shareholder structure through putting as capital in kind of a part of assets of the corporations the shares of which are traded in ECM, a listing application cannot be filed for shares of the new corporation established as above before the end of 3 years following the date of registration in trade registry of the corporation to be established as a result of demerger.
- (4) In mergers where a company the shares of which are not listed in the Exchange acquires a company the shares of which are listed in the Exchange, for the listing of shares of the acquiring corporation, the shares must not meet the requirements of exclusion from the scope of the Law as defined in second paragraph of Article 5 of the Communiqué on Shares of CMB.

Additional Listing of Shares and Capital Decrease:

Article 41 – (1) Shares to be issued by corporations, the shares of which are listed in the Exchange, as a result of a capital increase through rights issue and/or bonus issue are listed in the Exchange without any further decision or formality upon registration in the Trade Registry of the new capital resulting from capital increase.

(2) If and when the shares held ready for sale under the regulations of CMB are sold, their listing, and the listing in ECM of the portion sold in the primary market of the Exchange of the unused rights of purchase of newly issued shares relating to the unlisted shares in ECM of the corporations, the shares of which are traded in ECM, and the sales of shares effected pursuant to paragraphs 3 and 5 of Article 13 of this Directive will be considered under this Article.

(3) Due to capital decrease of corporations, the shares of which are listed in the Exchange, the shares representing their decreased capital are delisted from the Exchange without any further decision or formality upon registration in the Trade Registry of the new capital resulting from capital decrease.

Inspections in Corporations, Issuers and Fund Founders:

Article 42 – (1) The Exchange personnel may inspect corporation and issuer and their subsidiaries and affiliates or fund founder within the frame of the listing affairs under this Directive. As a part of these inspections, the Exchange personnel may request all kinds of information and documents, and may cover all kinds of accounts and transactions in the scope of inspection. The relevant officers are under obligation to permit such inspections, and to give the required assistance to the Exchange personnel, and to sign the issued proceedings, and to abide by their obligations arising out of the regulations of the Exchange.

Market Advisor:

Article 43 – (1) Per activity types that corporations may serve as a market advisor will be determined by CMB upon a proposal of the Board of Directors.

(2) Duties and responsibilities, authorization, performance assessment, working procedures and principles of, and sanctions applicable on, market advisor will be set down in the PP.

Redetermination of Amounts Included in the Directive:

Article 44 – (1) Amounts in this Directive may be increased by the Board of Directors every year by considering the revaluation rate announced by the Ministry of Finance.

Matters on Which the Directive Does not have Provisions:

Article 45 – (1) The Board of Directors is authorized to interpret the provisions of this Directive, and to decide by also considering the general provisions on all and any matters unclear in this Directive, and to regulate and direct the implementation thereof.

Repealed Circulars:

Article 46 – (1) The following circulars are hereby repealed:

- (a)** “Circular on Foundation and Operating Principles of Watchlist Market” no. 206 dated 21/07/2004; and
- (b)** “Circular on Listing Criteria in Mergers and Demergers” no. 251 dated 14/06/2006; and
- (c)** “Circular on Principles of Trading in Market of Non-voting Shares To Be Issued by Companies the Shares of Which are Traded in the Exchange” no. 310 dated 06/11/2009; and
- (ç)** “Circular on Trading in Mergers and Demergers” no. 320 dated 07/01/2010; and
- (d)** “Circular on Principles of Trading in ISE of Foreign Securities and Depository Certificates” no. 349 dated 03/11/2010; and
- (e)** “Circular on Principles of Second National Market” no. 379 dated 17/11/2011; and
- (f)** “Circular on Date of Trading of Securities in the Exchange” no. 364 dated 03/03/2011; and
- (g)** “Circular on Principles of Trading of Unlisted Debt Securities in Bond and Bill Market” no. 380 dated 25/11/2011; and
- (ğ)** “Circular on Principles of Trading of Shares of Publicly Held Corporations in the Exchange Without Being Offered to Public” no. 383 dated 29/12/2011; and
- (h)** “Circular on Principles of Periodical Assessment For Shares Traded in National Market and Second National Market” no. 392 dated 30/05/2012; and
- (ı)** “Circular on Principles of Listing and Trading of Certificates in the Exchange” no. 400 dated 29/08/2012; and
- (i)** “Circular on Principles of Trading of Lease Certificates in ISE” no. 401 dated 06/09/2012; and
- (j)** “Circular on Principles of Sales of Capital Market Instruments in Debt Securities Market in Offering Market for Qualified Investors” no. 428 dated 23/05/2013; and

- (k)** “Circular on Implementing Principles of paragraphs (h) and (k) of Article 13 and paragraph (c) of Article 15 and paragraph (d-7) of Article 16 of the Istanbul Stock Exchange Listing Regulations” no. 334 dated 11/06/2010.

Market Structuring:

Temporary Article 1 – (1) As a result of an analysis to be effected pursuant to Article 33 by considering the data of one year preceding the 20th business day prior to the effective date of this Directive, free float out of the shares traded in the National Market and the Second National Market the market value of which is equal to or above TRY 100,000,000, and the shares included in BIST-100 index on the 20th business day prior to the effective date of this directive will be traded in the Star Market, and of which market value is below TRY 100,000,000 will be traded in Main Market, and the securities, real estate and venture capital investment trusts, and covered warrants, certificates and Exchange traded fund participation certificates traded in the Corporate Products Market, will be traded in the Collective and Structured Products.

(2) Shares included in ECM list will be traded in the BIST Emerging Companies.

(3) Shares of corporations traded in the Watchlist Companies Market will be traded in the Watchlist.

(4) Shares traded in the Free Trade Platform will be traded in the Pre-Market Trade Platform (PMTP) under the same principles without being listed.

Other Provisions:

Temporary Article 2 – (1) As of the effective date of this Directive:

- (a)** the separation between listed shares market and unlisted shares market is eliminated, and except for those mentioned in subparagraph (b) of this paragraph, all shares traded in National Market, Corporate Products Market, Second National Market, Watchlist Market and Emerging Companies Market, and all capital market instruments traded as unlisted in Debt Securities Market will be listed in the Exchange;

(b) shares traded in Free Trade Platform and capital market instruments issued by TCB, the Undersecretariat, the Asset Lease Companies established by the Undersecretariat, or the Asset Lease Companies established by institutions with public capital assigned by the Undersecretariat will be traded without being listed.

(2) The existing market structure will remain in force until the new Trading System.

(3) Shares which are temporarily suspended from trading and are delisted from the Exchange as of the effective date of this Directive will be deemed to have been permanently suspended from trading when this Directive enters into force, and for these shares, the period of 1 year required for in paragraph 1 of Article 28 of this Directive will be deemed to have started as of the effective date of this Directive.

Conclusion of Applications:

Temporary Article 3 – (1) Applications which have not yet been decided by the Board of Directors as of the effective date of this Directive will be evaluated, reviewed according to the provisions of this Directive.

Application of Periods in the Directive:

Temporary Article 4 – (1) The periods of time mentioned in sub-paragraphs (c), (e), (g) and (ğ) of paragraph 1 of Article 23, and sub-paragraph (d) of paragraph 1 of Article 24, and sub-paragraphs (ç), (e) and (f) of paragraph 1 of Article 25, and sub-paragraph (c) of paragraph 1 of Article 26, and sub-paragraphs (ç) and (f) of paragraph 1 of Article 29, and sub-paragraphs (a) and (b) of paragraph 1 of Article 32, and sub-paragraphs (a), (c), (ç) and (g) of paragraph 1 of Article 35 of this Directive will be deemed to have started as of the effective date of this Directive.

Effective Date:

Article 47 – (1) This Directive will become effective as of the date of the new Trading System.

Execution:

Article 48 – (1) The provisions of this Directive will be executed by CEO of Borsa İstanbul A.Ş.

