

ISTANBUL STOCK EXCHANGE EMERGING COMPANIES MARKET REGULATION

CHAPTER ONE

Objective, Legal Grounds, Definitions and Abbreviations

Objective

ARTICLE 1- (1) This Regulation stipulates the operational principles and rules of the Emerging Companies Market, which has been established in order to create a transparent and organized platform for companies with a development and growth potential to issue securities in order to secure funding from the capital markets.

Legal Grounds

ARTICLE 2 - (1) This Regulation has been issued by virtue of Article 11 of the Decree-Law 91 Concerning Securities Exchanges, published on the Reprint of the Official Gazette dated 06/10/1983, No.18183.

Definitions and abbreviations

ARTICLE 3 – (1) For the purposes of this Regulation;

- a) Exchange or ISE: Refers to the Istanbul Stock Exchange;
- b) Chairman of the Exchange; Refers to the Chairman of the Istanbul Stock Exchange;
- c) Exchange Management: Refers to the Management of the Istanbul Stock Exchange;
- ç) Bulletin: Refers to the daily bulletin published by the Istanbul Stock Exchange;
- d) Emerging Companies Market, ECM: Refers to the market where the securities of companies that do not meet the listing requirements of the Exchange, but promise a development and growth potential, can be traded;
- e) Emerging Companies Market Directory, ECM Directory: Refers to the list of securities, which can be traded on the Emerging Companies Market;
- f) Public offering: Refers to the process whereby the public is invited to purchase capital markets instruments or to participate in a joint stock company or to become a founder thereof; whereby the shares are continuously traded on the stock exchanges or other organized markets; or the shares of publicly-traded joint stock companies are sold through capital increases in accordance with the Law;
- g) ISE Settlement and Custody Centers Regulation: Refers to the Istanbul Stock Exchange Settlement and Custody Institutions Regulation published on the Official Gazette dated 19/02/1996, No.22559;
- ğ) ISE Regulation: Means the Istanbul Stock Exchange Regulation published on the Official Gazette dated 19/02/1996, No.22559;
- h) The Law: Refers to the Capital Markets Law No: 2499, dated 28/07/1981;
- ı) Listing Regulation: Refers to the Istanbul Stock Exchange Listing Regulation published in the Official Gazette dated 24/06/2004, No.25502;
- i) CRA: Refers to Central Registry Agency Inc.;
- j) Market advisor: Refers to a company qualified to serve as a market advisor;
- k) Market advisory agreement: Refers to the agreement signed between the company filing an application for the inclusion of its shares in the ECM Directory and the market advisor, through their authorized representatives;
- l) Market Advisors Directory: Refers to the list of companies qualified to serve as market advisor;
- m) Market maker: Refers to an intermediary institution liable to place both buy and sell quotations in order to ensure fair, regular and effective operation of a stock market and to encourage the formation of a liquid and continuous market;

- n) System: Refers to the Electronic Trading System;
- o) CMB: Refers to the Capital Markets Board;
- ö) Company: Refers to any of the joint stock companies with a development and growth potential, which applies for the inclusion of its securities in the Emerging Companies Market Directory, or has already had its securities listed in the Emerging Companies Market Directory,
- p) Private placement: Refers to, in the case of capital increases, the sales of shares amounting to the increased portion of the capital without a public offering, directly to a person/persons residing overseas, or a person/persons residing in the home country who have been chosen prior to the registration of the shares;
- r) Takasbank: Refers to Istanbul Stock Exchange Settlement and Custody Bank Incorporated;
- s) Executive Council: Refers to the Executive Council of the Istanbul Stock Exchange.

CHAPTER TWO

Procedures and Principles governing the ECM Directory, Companies and Market Advisors

SECTION ONE

Provisions on ECM Directory and Companies

Admission to ECM Directory and being traded on ECM

ARTICLE 4 – (1) Securities registered by the CMB may be admitted to the ECM Directory and traded on the ECM. The procedures and principles governing the admission of shares to the ECM Directory and the trading of such shares on the ECM are stipulated in this Regulation, whereas the procedures and principles relating to the admission and trading of other securities are subject to the resolution of the Executive Council, and become effective upon the approval of the CMB.

(2) Admission to the ECM Directory is done only for shares to be issued as a result of capital increase through partial or full restriction of the pre-emptive rights of the existing shareholders, or capital increase through private placement.

(3) The shares to be issued as a result of capital increase through partial or full restriction of the pre-emptive rights of the existing shareholders of a company or capital increase through private placement are traded in a single share type on the ECM. However, in the case that the company has shares with different rights attached, more than one share type may be traded, subject to the decision of the Executive Council.

(4) Various markets where such shares can be traded may be established within the ECM, subject to the decision of the Executive Council. All markets established and the securities to be traded on these markets shall be announced on the Bulletin. The markets may be abolished by the same method employed for their establishment.

Criteria applicable for admission to the ECM Directory and admission of shares to the ECM Directory

ARTICLE 5 – (1) For all applications for admission of company shares to the ECM Directory it is essential that:

a) The company applying for admission of shares to the ECM Directory be a joint stock company, and prove by legal documents that its legal status in terms of its establishment and operations as well as its shares be in compliance with the legislation to which the company is subject;

b) The application for admission to the ECM Directory be made for the shares to be issued as a result of capital increase through the partial or full restriction of the pre-emptive rights of the existing shareholders, or capital increase through private placement,

c)¹ The company fails to comply with the criterion set in the ISE Listing Regulation, Article 13, subparagraph (b), or at least one of the criteria set for each of the alternative groups in subparagraph (c),

¹ The subparagraph has been amended by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated October 1, 2010 and No. 27716.

ç) The company's articles of incorporation not include any provisions restricting the transfer and circulation of the shares to be traded, or preventing the shareholders from exercising their rights;

d) A market advisory agreement have been signed between the Company and one of the market advisors which is listed on the Market Advisors Directory, and such agreement be effective for a period of minimum two years from the application date;

e) The most recent year-end financial statements as of the application date have been independently audited, and in the event that a period of nine months has elapsed since the date of the independently audited balance sheet, the semi-annual financial statements also be independently audited.

(2) If the market advisor's report on the company sets out a positive opinion, the Executive Council decides whether to admit or refuse the admission of the company shares to the ECM Directory, in consideration of the report and the general circumstances.

(3) Shares qualifying for the ECM Directory are those to be issued as a result of capital increase through public offering, or capital increase through private placement. As long as company shares are included on the ECM Directory, any application for inclusion in the ECM Directory submitted by shareholders for such shares which are not covered by this article and are not included in the ECM Directory, shall be refused by the Exchange.

Application for admission to the ECM Directory

ARTICLE 6– (1) The application for admission to the ECM Directory shall be filled with a petition signed jointly by the issuer and the market advisor. The documents indicated in this Regulation should be submitted along with the petition. Applications shall be assessed only when all In case of missing documents are submitted.

(2) It is essential that the documents attached with the application be drawn up and signed by the market advisor and the company authorities. The company management and the market advisor shall be jointly responsible for the accuracy of the information and documents submitted. The issuer must present any and all the information and documents that may be required by the market advisor and the Exchange.

(3) The application for admission to the ECM Directory shall be submitted concurrently with the application for registration with the CMB.

Documents to be attached with the application for admission to the ECM Directory

ARTICLE 7 – (1) The following information and documents should accompany the application submitted to the Exchange:

a) A notarized declaration and a letter of undertaking, which are described in detail below, in such essence determined by the Executive Council;

1) Approval and consistency declaration: A declaration signed by the market advisor and the authorized representatives of the company, affirming that the information and documents presented to the Exchange and announced to the public during the application for admission to the ECM Directory are true and the purpose of issue of the company shares is consistent with the establishment and operation purposes of the ECM. This declaration should be appended to the report prepared by the market advisor and signed by its representatives, and which contains the information, which is the basis of such declaration.

2) Letter of undertaking for being traded on the Exchange: An undertaking signed by the authorized representatives of the company, attesting that the CMB and the Exchange regulations shall be adhered to.

b) A market advisory agreement drawn up between the company and the market advisor and signed by their authorized representatives,

c) A company information form signed by the company and the market advisor,

ç) The most recent year-end financial statements and the independent audit report thereof. In the event that a period of nine months has elapsed since the date of the independently audited balance sheet, the independently audited semi-annual financial statements,

d) Registration Certificate obtained from CMB;

e) If the issue is realized via public offering, a CMB-certified prospectus and signature circular, or if the issue is realized via private placement, then ECM Trading Information Form,

f) Copies of the agreements with intermediary institutions, if any;

g) Notarized signature circular of the representatives of the company and the market advisor,

ğ) Copies of the Turkish Trade Registry Gazettes where the articles of association of the company and amendments thereto have been published, and the articles of association of the company reflecting the most recent situation, prepared collectively and signed by the authorized signatories of the company,

h) Information about the share groups set forth in the articles of association, and benefits attached to and restrictions imposed on such groups,

ı) If there are registered shares amongst the shares which are included in the ECM Directory application, then the board of directors' decision that blank endorsement is acceptable in the transfer and assignment of such shares,

i) Results of the sales via public offering or private placement,

j) The web site address through which the company shall make public disclosures and which it will use for investor relations;

k) A certificate evidencing that the shares included in the ECM Directory application have been registered with the CRA;

l) Other information and documents that may be required by the Exchange.

Starting to be traded on the ECM

ARTICLE 8- (1) ²The company shares start to be traded on the secondary market no earlier than the trading day that succeeds the day when the decision of the Executive Council approving the ECM Directory application is published on the Bulletin.

Obligation to announce

ARTICLE 9 – (1) Companies, whose shares are admitted to the ECM Directory, are required to continually post on its web site the company information form which had been attached to the application, financial statements, and any other information and documents which may be deemed necessary by the Exchange.

(2) The Exchange may require the company to issue a press release declaring how the information and documents posted on the web site can be accessed, and require the company to make announcements, at the company's expense, as it may deem proper. Information and documents announced shall be made available for review by the public.

(3) The Executive Council may impose other regulations relating to the announcement procedures and principles for such information and documents set forth in the first paragraph of this article.

Admission to the ECM Directory in case of mergers

ARTICLE 10 – (1) The shares of a company shall be excluded from the ECM Directory if and when it is dissolved without liquidation and ceases to be a legal entity, being a party to a merger transaction to be concluded via an acquisition or establishment of a new corporation. The acquiring/resulting company must file an application for admission to the ECM Directory of the shares which it shall issue in exchange of the shares of the excluded company that were included in the ECM Directory prior to the merger. No ECM Directory application may be filed for other shares of the acquiring/resulting company.

(2) In the event of a company included in the ECM Directory being acquired by another company also included in the ECM Directory, the provisions of the first paragraph of this article shall apply to the acquiring company and the dissolving company.

² The paragraph has been amended by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated August 19, 2011 and No. 28030.

(3) In the assessment of ECM Directory applications filed as per the first and second paragraphs of this article, the acceptance criteria for admission to the ECM Directory set forth in subparagraphs (a), (ç), (d) and (e) of the first paragraph of article 5 shall prevail.

(4) If a company already included in the ECM Directory acquires a company which is not included in the ECM Directory and continues to exist as a legal entity, it cannot file an application for admission to the ECM Directory for the shares which it shall issue in exchange of the shares of the acquired company.

(5) In the case of mergers, it is mandatory that the independently audited interim financial statements of the acquiring/resulting company, which shall be the basis for the merger, be announced. Such interim financial statements may be deemed to be the interim financial statements referred to in article 5, paragraph one, subparagraph (e).

Mandatory complementary application for admission to the ECM Directory

³**ARTICLE 11 –** (1) In the case of a capital increase by a company included in the ECM Directory, the company must file a complementary application for the shares to be issued through bonus and/or rights issues, corresponding to the shares included in the ECM Directory prior to the capital increase. Complementary application may not be filed for shares other than such.

(2) A complementary application for shares to be admitted must be signed jointly by the market advisor and the authorized representatives of the company, and should include the Turkish Trade Registry Certificate evidencing the completion of the capital increase and the ECM Directory complementary application information form, and must be sent to the Exchange in no later than seven business days following the completion of the respective documents.

(3) Shares subject to complementary application for admission to the ECM Directory shall be admitted to the ECM Directory without seeking the ECM Directory admission criteria set out in first and second paragraphs of Article 5, and shall start to be traded on the ECM in accordance with the respective regulations, as from the date of distribution of the shares to the shareholders.

ECM Directory

ARTICLE 12 – (1) The features of the shares which are decided to be included in the ECM Directory by the Executive Council as well as information about the issuer thereof are registered in the ECM Directory and announced on the Bulletin.

Mandatory application for the submarkets of the ISE Stock Market

ARTICLE 13 – (1) ⁴A company whose shares are traded on the ECM must apply for the listing of its shares on one of the submarkets of the ISE Stock Market in eight weeks following the public disclosure of the year-end independent audit report, provided that the company satisfies the requirements of the ISE Listing Regulation set out under Article 13, subparagraphs (a), (b), (c) as evidenced by its most recent independently audited year-end financial statements. Pursuant to the provision of article 6 of the ISE Listing Regulation, a company that does not have minimum 250 real person and/or legal entity shareholders at the date of public disclosure of the independent audit report shall be exempt from this obligation. The information and documents required by the Exchange must be completed in order to finalize the application.

(2) In no later than two business days following the public disclosure of the year-end independent audit report, the Company should carry out an evaluation of the company under the first paragraph of this article, and make a public statement if application is necessary.

(3) The Executive Council may extend the time periods specified in the first and second paragraphs of this article.

(4) In the case that the Company fails to make an application in due course for the shares to be traded on any one of the submarkets of the ISE Stock Market under the first paragraph of this article, trading of the company's shares shall be suspended.

(5) The procedures and principles relating to the execution of this article are regulated by the Executive Council.

³ The article has been amended by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated August 12, 2010 and No. 27670.

⁴ The paragraph has been amended by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated October 1, 2010 and No. 27716.

Exclusion from the ECM Directory

ARTICLE 14 - (1) The company shares included in the ECM Directory may be excluded from the ECM Directory upon the decision of the Executive Council, if:

a) an application submitted for the listing of the company shares on any one of the submarkets of the ISE Stock Market is accepted;

b) the Exchange is notified of a decision on the bankruptcy of the company, or the dissolution of the company for any reason such as liquidation or expiration;

c) trading of the company shares is suspended for a period of four months for any reason whatsoever,

ç) ⁵the company is in breach of the procedures or rules regarding delivery of information, documents or announcements to the Public Disclosure Platform within the scope of the public disclosure regulations; is in breach of the public disclosure requirements by failing to send information, documents or announcements to the Public Disclosure Platform when a public disclosure is necessary and/or commits such a breach on several occasions,

d) the company fails to pay the ECM Directory fees and to meet its obligations against the Exchange;

e) the agreement executed by the company with the market advisor is terminated for any reason whatsoever and an agreement is not signed with a new market advisor in four months following the suspension of the trading of the company shares due to absence of a market advisor;

f) any permit, license or agreement of the company, necessary for its operations, is cancelled or invalidated;

g) the independent audit reports prepared for the last two terms of the company set forth an adverse opinion, or the independent auditor gives a disclaimer of opinion in such reports,

ğ) the company fails to adhere to the other regulations of the Exchange.

(2) The Executive Council may issue a warning and extend a time period to the company for correcting the problems prior to taking a decision to exclude it from the ECM Directory.

Exclusion of the company shares from the ECM Directory on the company's request

ARTICLE 15 – (1) The Company may apply to the Exchange for exclusion of its shares from the ECM Directory.

(2) While evaluating the Company's application for the exclusion of the company shares from the ECM Directory, the Executive Council may require the applicant company to take precautions in order to avoid the infringement of the investors' rights. In any case, delisting from the ECM upon the request of the issuer is subject to the decision of the Executive Council.

Criteria applicable for re-inclusion of a company's shares previously excluded from the ECM Directory

ARTICLE 16 - (1) ⁶The Executive Council shall decide on the re-inclusion of the shares of a company previously excluded from the ECM, in consideration of the ECM Directory acceptance criteria laid down in article 5. While taking that decision, the Executive Council may stipulate that an independent audit report for semi-annual interim or annual period following the exclusion of the company shares from the ECM Directory is required to be published.

⁵ The subparagraph has been amended by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated August 12, 2010 and No. 27670.

⁶ The paragraph has been amended by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated October 1, 2010 and No. 27716.

SECTION TWO

Provisions on the Market Advisor

Market advisor's duty

ARTICLE 17 – (1) The market advisor is obliged to assist the company to complete preparations necessary for the application for admission to the ECM Directory and attest, jointly with the company, the accuracy of the information and documents submitted to the Exchange and disclosed to the public.

(2) The market advisor assists the company in assuring compliance of the company with the CMB and the Exchange regulations once the company shares are admitted to the ECM Directory.

Companies qualified to act as a market advisor

ARTICLE 18 – (1) The types of companies qualified to act as market advisors are determined by the CMB upon the recommendation of the Executive Council.

(2) The Executive Council is entitled to stipulate the procedure of application for a market advisor status, the qualifications and criteria sought for the applicants, and the principles relating to the evaluation of the applications.

(3) The Executive Council is authorized to set out the procedures and principles relating to the performance assessment and operation of the market advisor.

(4) A company whose application for a market advisor status has been accepted is authorized to serve as a market advisor upon the decision of the Executive Council and is included in the Market Advisors Directory. The Market Advisors Directory is revised on a periodic basis in consideration of the performance assessment of the market advisor.

(5) Where a company's licence has been cancelled and it has been excluded from the Market Advisors Directory, the Executive Council may refuse the re-application of that company for being qualified as a market advisor even if the company meets the qualifications and the criteria sought for serving as a market advisor.

(6) Any changes in the Market Advisors Directory shall be announced on the Bulletin.

Market advisor's liability and impartiality

ARTICLE 19 – (1) The market advisor must adhere to the CMB and the Exchange regulations while executing its duty.

(2) The market advisor should continue to meet the qualifications and criteria sought in the application stage so long as it acts as such. The Exchange is entitled to verify whether a market advisor included in the Market Advisors Directory maintains such qualifications and criteria. The market advisor must provide the necessary assistance and present the requested documents during the verification to be conducted by the Exchange personnel.

(3) The market advisor must act honestly and impartially in fulfilling its duty, and no exceptions, which might prevent its managers and employees from acting impartially in the planning, managing and implementation of the work processes are acceptable.

(4) Before commencing its duty, the market advisor shall provide the Exchange with a Market Advisor Statement, the essence of which is determined by the Executive Council, reflecting its liability and impartiality.

(5) Should there occur any hesitation as to the loss of the impartiality of the market advisor, such impartiality will be deemed to have been lost.

(6) The procedures and principles relating to the execution of this article are regulated by the Executive Council.

Market advisor's continuation statement and resignation

ARTICLE 20– (1) The market advisor shall convey a continuation statement to the company and the Exchange once every three months, stating whether or not there are any problems in the execution of the market advisory agreement with the company, whether there are any material facts which may prevent its managers and employees from being impartial in the planning, managing and implementation of its work processes as a market advisor, and whether it will continue to act as the company's market advisor for the following six-month period. The company shall announce that statement to the public immediately.

(2) If the market advisor reveals in its continuation statement that it shall cease its market advisory duty for a company at the end of the period specified in its previous statement, it must set out the reasons of such decision in detail in the statement.

(3) The market advisor may not resign from its duty with the company before the expiration of the period set out in its continuation statement conveyed as per the first paragraph of this article. In the event that accurate and compelling causes occur, the market advisor may resign from its duty in the respective company prior to the expiration of the period provided that it proves such causes. In that case, the market advisor must communicate its resignation to the company and the Exchange along with the causes, and supporting documents, if any. The company shall announce such statement to the public immediately.

(4) In the event that the agreement between the market advisor and the company is cancelled or has expired; the market advisor shall provide the necessary information on the relevant issues to the new market advisor with whom the company makes an agreement.

Giving a notice of warning to the market advisor, restricting or cancelling its authority

ARTICLE 21 – (1) In the case that the market advisor fails to fulfill its obligations and is alleged to act deficiently, or it is deemed that it should be more careful and efficient in its operations; the Executive Council shall give it a notice of warning.

(2) If it deems necessary, the Executive Council may decide to restrict or suspend a market advisor's authority, to prevent it from making an agreement with a new company, or to cancel its authority, to exclude it from the Market Advisors Directory, and to terminate its current advisory agreements.

Circumstances for giving a notice of warning to the market advisor, restriction or cancellation of its authority

ARTICLE 22 – (1) Circumstances for giving a notice of warning to the market advisor, restriction or cancellation of its authority are described below.

a) Circumstances for giving a notice of warning to the market advisor:

1) Acting carelessly and negligently in fulfilling its duties and obligations within the framework of procedures and principles determined by the Exchange,

2) Failing to comply with the working order of the Exchange,

3) Committing acts in violation of the profession, order and tradition,

4) Giving rise to abuse or corruption by its personnel due to lack of inspection,

5) Committing acts likely to damage the credit and expected from a market advisor,

6) Making statements likely to damage the image and reputation of its contracted company and the Exchange.

b) Circumstances for the restriction of the market advisor's authority, its suspension from the Market Advisors Directory, and its prevention from making new agreements:

1) Deliberately failing to fulfill the procedures and principles of the Exchange,

2) Making false declarations and ungrounded claims about its contracted company,

3) Failing to have in place sufficient personnel and technical infrastructure necessary to fulfill its duties and obligations,

4) Releasing publications likely to damage the reputation of the company and of the Exchange,

5) Refusing to permit, assist and help the authorized Exchange staff to carry out inspections which are intended to determine whether the market advisor maintains the qualifications and criteria sought during the application stage,

6) Quitting its market advisory service in its contracted company without a valid cause prior to the expiration of the agreement,

7) Reported as insufficient to render market advisory services to a company other than the companies for which it has been acting as a market advisor, by the Exchange, as a result of the periodic performance assessment.

c) Circumstances for the cancellation of the authority of the market advisor, or for its exclusion from the Market Advisors Directory, and the termination of its current agreements:

1) Failing to keep records of its transactions at all or properly, failing to keep documents, or hiding information and documents,

2) Divulging the confidential information and documents of the company for which it acts as an advisor without the consent of the company,

3) Altering or destroying documents in order to put the company for which it has been acting as market advisor or the Exchange officials in trouble or in order to conceal its own faults,

4) Utilizing the information and documents acquired about the company for which it has been acting as a market advisor in order to obtain personal gains,

5) Failing to complete the acts and transactions required by the Executive Council to terminate suspension, within the period set forth by the Executive Council,

6) Failing to bear any longer any of the qualifications sought for serving as a market advisor,

7) Reported as insufficient as a result of the periodic market advisor performance assessment undertaken by the Exchange.

(2) If the market advisor repeats an act which requires being given a notice of warning in three-years' period, the Executive Council may decide upon the restriction of the market advisor's authority, its suspension from the Market Advisors Directory, and prevention of making new advisory agreements.

(3) If the market advisor repeats, in three-years' period, any act which requires the restriction of its authority, its suspension from the Market Advisors Directory and the prevention of making new advisory agreements, the Executive Council may decide to cancel the market advisor's authority, to exclude it from the Market Advisors Directory, and to terminate its current advisory agreements.

SECTION THREE

Public Disclosure

Public disclosure of financial reports

ARTICLE 23 – (1) The companies whose shares are included on the ECM Directory must publicize:

- a) The year-end financial statements and the independent audit report thereof;
- b) Semi-annual financial statements which have not been independently audited,
- c) Annual report

(2) CMB regulations prevail in the preparation and public disclosure of the annual report and the financial statements referred to in paragraph one.

Public disclosure of material events

ARTICLE 24 – (1) It is mandatory that the company disclose important events and developments to the public, which are likely to affect the value of capital markets instruments and investment decisions or the exercise of rights by the investors. The regulations of the CMB shall apply to the scope, procedure and principles of public disclosures.

Disclosure relating to the Market advisor

ARTICLE 25 – (1) In the case that the company terminates its agreement with the market advisor at its own discretion, and notifies the market advisor accordingly, it must immediately disclose it to the public and the Exchange. If an agreement has been executed with another market advisor, such situation must be set out in the statement.

(2) The company shall immediately disclose to the public any explanation conveyed to it by the market advisor within the framework of the first and third paragraphs of article 20.

(3) The disclosures to be made under the first and second paragraphs of this article are subject to the procedures and principles specified in article 24.

(4) The Exchange, at its own discretion, may ask the company to explain the reasons of its termination of the agreement with the market advisor.

Company's web site

ARTICLE 26 – (1) The company's web site should be available and operational throughout the term during which the company shares are included on the ECM Directory.

(2) It is essential that all sorts of information and documents which the Exchange requires to be disclosed to the public during the application for admission to the ECM Directory be made available on the company's web site.

SECTION FOUR

Fees

ECM Directory fees

ARTICLE 27 – (1) The ECM Directory fees chargeable to the companies are ECM Directory admission fee and ECM Directory annual fee. The rates of such fees are determined by the Executive Council and become effective upon the approval of the CMB.

(2) If the company's shares are excluded from the ECM Directory, such fees are not refundable. If a company which had been delisted from the ECM Directory applies for re-inclusion of its shares in the ECM Directory, and the application is accepted by the Executive Council, it shall be charged an ECM Directory admission fee.

(3) The fees covered by the first paragraph of this article shall be paid by the companies whose shares are admitted to the ECM Directory, in seven business days succeeding the date of notice.

ECM Directory admission fee

ARTICLE 28– (1) ECM Directory admission fee is charged on application basis for admission to the ECM Directory over the nominal value of the shares subject to application.

ECM Directory annual fee

ARTICLE 29 – (1) The companies whose shares are included in the ECM Directory shall be charged an ECM Directory annual fee for each year their shares are included in the ECM Directory. The ECM Directory annual fee shall not be charged for the year in which the ECM Directory admission fee is paid.

(2) The ECM Directory annual fee is calculated over the aggregate nominal value of the company's shares listed on the ECM Directory as of the end of the preceding December and is paid until the end of January of the relevant year.

(3) In the event that an application submitted for the company shares traded on the ECM to be listed on any one of the submarkets of the ISE Stock Market is accepted, the ECM Directory annual fee that has been paid shall be set off against the fees payable for listing on the respective submarkets of the ISE Stock Market.

CHAPTER THREE

Trading Procedures and Principles

SECTION ONE

Trading Members and Market Maker Members

Requirements for members to trade

ARTICLE 30 – (1) Banks and brokerage houses which are Exchange members in accordance with article 6 of the ISE Regulation and entitled to trade on the Stock Market may trade on the ECM.

Market maker member

ARTICLE 31 – (1) Market maker is an intermediary institution which is a member of the Exchange, authorized by the Executive Council, which is liable to place both buy and sell quotations in order to ensure fair, regular and effective operation of the market for the stock for which it is responsible and to encourage the formation of a liquid and a stable market.

(2) The qualifications of being a market maker member, the obligations and responsibilities of a market maker, the principles and procedures of its resignation and dismissal are regulated by the Executive Council. The applications of members meeting the specified qualifications are assessed by the Executive Council.

(3) Among the Exchange members applying to serve as a market maker, those that are found eligible by the Executive Council may start market making activities only after signing the Letter of Undertaking for Market Making, prepared by the Exchange and approved by the CMB in relation to such activities. (4) A market maker may be assigned as the market maker of more than one security. The Executive Council may however, limit the number of securities for which a market maker member can execute market making activity.

Collaterals to be presented by a trading member

ARTICLE 32 – (1) A member may trade on the ECM, provided that it deposits collateral, the type and amount of which is determined by the Executive Council and approved by the CMB on the basis of the ISE Regulation, Article 12, or completes the shortcoming portion thereof within the time periods stipulated.

(2) If the collateral amount is not complemented within the required period of time, the member shall not be allowed to carry out transactions on the ECM until the shortage is covered. The Executive Council may allow a period of maximum two months to the respective member to complete the shortage of the collateral.

Exchange fee

ARTICLE 33 – (1) In return for the trades executed on the ECM, each party is separately charged a fee payable to the Exchange over the trading amount in an amount or at a rate to be determined by the Executive Council, subject to the approval of the CMB.

(2) Upon the proposal of the Executive Council, it may be decided, subject to the approval of the CMB, to charge different exchange fees to market maker members or to determine different methods for the charging of exchange fees, in consideration of the orders conveyed to the Exchange and/or trades executed.

Qualifications of trading member representatives

ARTICLE 34 – (1) Member representative is a person with a signature authority who is authorized to represent the member in the Exchange and/or settlement and custody transactions and is entitled to receive notices on behalf of the member that he represents.

(2) Those Stock Market member representatives and assistant member representatives who satisfy all qualifications and requirements specified in article 11 of the ISE Regulation and who have attended the compulsory training programs at certain periods throughout the year and obtained a certificate of accomplishment, are also entitled to function as member representatives and assistant member representatives in the ECM.

(3) Qualifications sought for representatives of members functioning as a market maker are determined by the Executive Council.

SECTION TWO

Trading Rules

Session

ARTICLE 35 – (1) A session is defined as the time period between the beginning and end of trading, both of which are signaled by an authorized personnel of the Exchange.

(2) The Executive Council may decide to hold different sessions in terms of duration on a market basis, or in terms of trading principles on the same market.

Trading unit

ARTICLE 36 – (1) The unit of trading called a “lot” refers to the minimum quantity or value or its multiples with which a share can be traded. The Executive Council determines whether the unit of trading will be the quantity or the value of a share in consideration of the characteristics of that share and announces it on the Bulletin.

Base price

ARTICLE 37 – (1) Base price is the price, which constitutes a base for determining the maximum and minimum price limits of a share between which a share can be traded during a session.

(2) In the case of dividend payments and capital increases, the base price is determined by the department assigned by the Chairman of the Exchange. The Executive Council decides on the method to be used for determining the base price and announces such method on the Bulletin.

Reference price

ARTICLE 38 - (1) The reference price is calculated only to be used as a reference value by the members until the base price is formed and does not constitute a base for setting the maximum and minimum price limits within which the shares can be traded. The principles relating to the application of the reference price are determined by the Executive Council.

Opening session and opening session price

ARTICLE 39 – (1) The opening session is a period of time preceding the regular session time during which the orders conveyed to the Exchange are matched with a method other than the trading method employed for a specific security. Opening session may be applied, depending on the decision of the Executive Council.

(2) The opening price is the price calculated on the basis of the orders that are received during the opening session.

(3) The principles of calculating opening price in the opening session, the time and period of the opening session, the trading method to apply during the opening session are determined by the Executive Council.

⁷Closing Price and Closing Session

ARTICLE 40 – (1) The closing price is the last price registered by the Exchange at the session.

(2) ⁸The Executive Council may decide that the closing price will be determined in a closing session.

(3) ⁹Closing session is the time period where the orders that have not been matched until the session start and new orders entered during the session are matched in order to set the closing price.

(4) ¹⁰The timing, duration, and trading method of the closing session and the calculation rules of the closing price are decided by the Executive Council.

Price ticks applicable to entry of orders

ARTICLE 41 - (1) Price tick is the smallest price variation that may occur at a single step for a share. Orders are entered with prices consistent with price ticks.

(2) ¹¹The principles of determining price ticks may be revised by the Executive Council, provided that it is announced via the Bulletin two days in advance.

Price ranges

ARTICLE 42 – (1) Price range indicates the minimum and maximum level that a share may reach during a session. The Executive Council is entitled to determine the price ranges and the procedure and principles of such ranges on the basis of market, order type, trading method and security.

(2) The Director of the ECM may increase price ranges up to twofold for a session upon the application of minimum three Exchange members or on his/her own option when he/she deems necessary in consideration of the market conditions. The Chairman of the Exchange may cancel or revise the price ranges upon the application of minimum five Exchange members or by his/her own initiative if and when he/she deems necessary in consideration of the market conditions.

⁷ The title has been amended by the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 12, 2010 and No. 27670.

⁸ The paragraph has been added by the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 12, 2010 and No. 27670.

⁹ The paragraph has been added by the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 12, 2010 and No. 27670.

¹⁰ The paragraph has been added by the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 12, 2010 and No. 27670.

¹¹ The paragraph has been amended by the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 19, 2011 and No. 28030.

(3) The Exchange may choose not to apply price ranges in line with the principles to be determined by the Executive Council.

Spread

ARTICLE 43– (1) Spread is the difference between the buy and sell prices of the quotation which the market maker is obliged to announce for the security it is responsible for. The limits of spread are determined by the Executive Council.

Submitting a quotation

ARTICLE 44 – (1) Submitting a quotation means the obligation of a market maker to continually announce buy and sell prices and/or amount for a share for which it is responsible throughout the session according to the principles determined by the Executive Council.

Exchange orders

ARTICLE 45 - (1) ¹²Orders are entered to the System by the member representatives or order transmission interfaces which are allocated to members as described by the Executive Council.

(2) ¹³The following types of orders can be transmitted to the Exchange.

a) Normal Orders: Normal orders which are placed in terms of trading units are comprised of one full lot or its multiples. Such orders may not exceed the order value limit determined by the Executive Council. Normal orders are submitted in one of the following manners:

1) Limit Orders: It is the type of order in which price and quantity are specified. The amount of a limit order that may be submitted to the System at any time may not exceed the amount determined by the Executive Council. The unexecuted portion of the limit order is held by the System as pending until the end of its validity.

2) Immediate or Cancel Orders (ICO): It is the type of order given with a specific price and quantity without being subject to a maximum lot restriction where the portion that cannot be matched at the time of entry of the order is cancelled automatically.

3) Special Limit Orders (SLO): This is the type of order which is submitted without specifying quantity in order to execute the entirety of the counter limit orders up to the specified price. The Executive Council may prevent the submission of orders, which exceeds a certain percentage of the capital.

4) Limit value orders: This is the type of order which is submitted without specifying quantity in order to execute the entirety of the counter limit orders up to the specified price and order value. The Executive Council may refuse the submission of an order, which exceeds a certain percentage of the capital.

5) Opening price orders (OPO): These are orders, which are entered without any price, but by only stating quantity during the opening session. In terms of priority, they are ranked after the limit orders, which are equal to and better than the opening price, and among themselves they are ranked by time priority. These orders are matched with limit orders or opening price orders on the counter side, and are traded at the opening price.

¹⁴6) Closing price orders (CPO): These are orders, which are entered without any price, but by only stating quantity during the closing session. In terms of priority, they are ranked after the limit orders, which are equal to and better than the closing price, and among themselves they are ranked by time priority. These orders are matched with limit orders or closing price orders on the counter side, and are traded at the closing price.

b) Odd-lot orders: These are the types of orders, which are submitted for a quantity of shares less than the trading unit. The odd-lot orders are submitted only with the quantity specified without a price, and are executed at the price of the last executed normal order as of that time. The odd-lot orders may be partially or fully matched with the counter odd-lot orders.

¹² The paragraph has been amended by the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 19, 2011 and No. 28030.

¹³ The paragraph has been amended by the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 19, 2011 and No. 28030.

¹⁴ The paragraph has been added by the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 12, 2010 and No. 27670.

¹⁵c) Special orders: Special orders are submitted for a quantity of shares exceeding the amount determined by the Executive Council on a share basis. They are submitted to the system, specifying price and quantity. The features of special orders are as follows;

1) Special orders cannot be executed partially.

2) To gain time priority, the price and quantity of a special order must be the same with the other special orders submitted. A special order with the best price does not have priority over the other special orders if the quantities are different. A member willing to execute a special order transaction may prefer a special order with a different quantity on the counter side to the best priced special order.

¹⁶3) If there are counter limit orders in the system with a price equal to or better than the price of the special order and also in a quantity that entirely meets the special order, the special order shall not be executed. The Executive Council may decide not to apply this rule on a trading method basis. If there are counter special orders in the system with a price equal to or better than the price of the special order and also in a quantity that entirely meets the special order, the order is executed by firstly matching such orders.

4) The quantity of a special order may not be in excess of the amount determined by the Executive Council.

5) The Executive Council may decide upon the application of a different margin from the applicable price margin for the entry of normal orders for the respective share in the case of special order submissions.

6) The executed special order trades are announced on the Bulletin.

ç) Short sales orders: Short sales orders are orders for short sales transactions conducted in accordance with the regulations of the CMB, and are submitted to the system, specifying price and quantity. For these orders, the price ranges determined under CMB regulations are followed. If no trade has been executed in the session, the price of the order must be one tick above the closing price. For shares, which have adjusted base prices or have no price limits, no short sales order may be submitted until a trade is executed.

d) Wholesale orders: These are orders which are executed in their entirety above the amount determined by the Executive Council and are submitted on a different share type opened for the wholesale trading transaction.

(3) Unless otherwise specified, each order is valid during the relevant session. However, orders may be given as "good till date" orders by specifying the validity period or the expiration date. Good till date orders may be given for a validity period determined by the Executive Council and they remain in effect in accordance with the rules applicable to price ticks and price ranges. Orders may be cancelled prior to expiration of their validity period should circumstances determined by the Executive Council occur. A member may shorten, but is not allowed to extend, the period of good till date order pending in the System.

(4) The application procedures and principles relating to the orders are determined by the Executive Council.

Revision or cancellation of an order

ARTICLE 46 – (1) Principles and procedures, regarding the revision and cancellation by the members of orders which have been transmitted to the System but not yet executed, are determined by the Executive Council.

Priority rules

ARTICLE 47 – (1) ¹⁷Priority rules apply in the following order in matching the orders entered into the System except opening price orders, closing price orders and special orders:

¹⁵ The subparagraph has been amended by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated August 12, 2010 and No. 27670.

¹⁶ The item has been amended by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated August 12, 2010 and No. 27670.

¹⁷ The paragraph has been amended by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated August 12, 2010 and No. 27670.

a) Price priority rule: Lower price sell orders are matched prior to the higher price sell orders, and higher price buy orders are matched prior to the lower price buy orders.

b) Time priority rule: In the case of price equality, the orders entered into the System first are matched with priority.

Trading method

ARTICLE 48 – (1) The “single price” and “multiple price” methods applicable to the trading of shares are used in accordance with the rules determined by the Executive Council under the principles and rules set forth in this Regulation.

(2) The single price method is a method whereby orders conveyed to the Exchange for a share within a time period set by the Exchange are matched at a single price level and in accordance with rules of priority so that maximum trading volume is achieved.

(3) The multiple price method is a method whereby orders conveyed to the Exchange for a share within a time period set by the Exchange are matched at various trading prices in accordance with rules of priority. The multiple price method may be applied in one of the following forms in the execution of trades for a share in accordance with the principles determined by the Executive Council:

a) Continuous auction,

b) Market making in continuous auction,

(4) The principles relating to the determination of the trading method to be employed for a share are regulated by the Executive Council.

(5) The Executive Council may determine different practices for displaying orders and trading details on a trading method basis and/or on a market basis.

(6)¹⁸

Execution of trades via single price method

ARTICLE 49 - (1) The execution of trades via the single price method are determined by the Executive Council subject to the following principles:

a) Orders are conveyed to the System within the framework of the rules determined and announced by the Executive Council.

b) Members may transmit orders to the System during the period determined by the Executive Council. However, no transaction may take place during the order collection period determined by the Executive Council.

c) Once order collection period is completed, the single price that enables the realization of the highest trading volume is determined and announced. Those among the entered orders which are executable as a trade at the determined single price level are matched fully or partially in accordance with the rules of priority.

ç) In the single price method, one or more than one price determinations may be held within a session.

Execution of trades via multiple price method

ARTICLE 50 - (1) The execution of trades via the multiple price method are determined by the Executive Council subject to the following principles:

a) Orders are conveyed to the System within the framework of the rules determined and announced by the Executive Council.

b) As from the moment orders are conveyed to the System, orders may be executed at various prices in accordance with the rules of priority.

c) Orders submitted to the System by a member may be matched fully or partly with the orders previously conveyed to the System by the same member or other members.

¹⁸ The paragraph has been annulled by the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated February 16, 2010 and No. 27495.

Multiple price method through continuous auction

ARTICLE 51 – (1) The multiple price method through continuous auction is the process whereby orders placed by members throughout a predetermined period of time are matched continuously with orders placed by the same member or other members at various prices according to the rules of priority. The procedures and principles relating to the method are determined by the Executive Council.

Multiple price method through market making activity

ARTICLE 52 - (1) ¹⁹In the multiple price method through market making, the market maker contributes to the creation of a market and realization of transactions by submitting bilateral quotations in the form of buys-sells in its own name and account over such securities for which it is responsible. For the mentioned transactions, the market maker may also use certain accounts which were reported to the Exchange in advance and do not belong to itself. These accounts and the principles relating to their use are determined by the Executive Council. Using these accounts does not eliminate the liabilities arising from market making. All the buy and sell orders entered into the System for the related security are matched among themselves and/or with the market maker quotations in accordance with the rules of priority, and thereby converted to a transaction in part or in full.

(2) The Executive Council determines the securities and markets to which market making will apply as well as those situations when the market maker is and is not obligated to submit a quotation.

(3) The procedures and principles governing the quotations submitted by a market maker as well as the rules governing orders and transactions that apply to a market making environment are established by the Executive Council.

(4) A market maker may be assigned as the market maker of more than one share.

(5) If the market maker of a share resigns, or is dismissed or no market maker exists for other reasons, the Executive Council shall decide upon the trading method applicable to the respective share.

(6) The procedures and principles relating to the multiple price method through market making are determined by the Executive Council.

Prices registered by the Exchange

ARTICLE 53 – (1) The price of a share traded on the Exchange is registered by the Exchange only if the traded amount is one lot or above. The Exchange Management may change the minimum trading volume required for registration of the prices, by announcing the change on the Bulletin at least one week in advance.

(2) In the event that the amount or value of a share in a transaction is less than the amount or value specified in the first paragraph of this article, the price of that transaction is not registered by the Exchange, although it is executed.

(3) The Executive Council may decide upon the determination of the minimum trading volume referred to in the first paragraph of this article individually on market and share basis in terms of the traded value and/or trading volume concentration of the market and the shares or may decide to apply different methods, notwithstanding the minimum trading amount requirement.

Announcement of the prices formed

ARTICLE 54 – (1) The prices and the trading volume registered by the Exchange for each share following the execution of the transactions are announced on the Bulletin with such content determined by the Executive Council, by the next business day following the closing of the relevant session at the latest.

(2) In the event that no price is registered for a share during a session, it is also disclosed on the Bulletin.

Determination of the executed transactions

ARTICLE 55 – (1) At the end of a session, trade reports including information on price, value and volume of all transactions realized during the session are distributed to the members electronically.

¹⁹ The paragraph has been amended by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated February 16, 2010 and No. 27495.

(2) Members create their own statutory records by using the trade reports distributed by the Exchange. In the event of any discrepancy between the trading reports, the records of the Exchange shall prevail.

Official auction transactions

ARTICLE 56 – ²⁰(1) Courts, court-bailiff's offices and other governmental agencies shall apply to the Exchange in written form for the sales transactions they deem necessary to be executed on the ECM:

a).....²¹

b).....²²

c).....²³

ç).....²⁴

2) ²⁵The written application for official auction sales should contain information and documents confirming that the shares requested to be sold are seized at the CRA, along with the information and documents required by the Exchange management.

3) ²⁶Official auction sales transactions may be realized on the trading board of the relevant share or on a separate official auction market to be opened, depending on the liquidity status of the share. Official auction transactions may only be realized for the shares traded on the ECM.

4) ²⁷If a separate official auction market is to be opened, an announcement regarding the shares to be sold shall be made at the Public Disclosure Platform one day in advance of the sales. In the event that the Exchange management does not deem it necessary to open a separate official auction market, transactions shall be realized on the secondary market board of the relevant shares and no announcement shall be made in advance.

5) ²⁸The rules pertaining to the official auction transactions and selection of the intermediary institution for such transactions are determined by the Exchange management.

Primary market transactions

ARTICLE 57 – (1) ECM primary market transactions cover:

a) The sales of company shares admitted to the ECM Directory through initial public offering,

b) The sales of shares representing the capital increase, by restricting the pre-emptive rights of the existing shareholders of a company whose shares are traded on the ECM, as well as the sales of the shares left as a result of unexercised pre-emptive rights during the capital increase process.

(2) ²⁹Applications filed with the Exchange under this article, paragraph one, subparagraph (a) and approved by the Executive Council, shall be announced on the Bulletin no later than two days prior to the date of transaction.

²⁰ The paragraph has been amended by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated August 12, 2010 and No. 27670.

²¹ The subparagraph has been annulled by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated August 12, 2010 and No. 27670.

²² The subparagraph has been annulled by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated August 12, 2010 and No. 27670.

²³ The subparagraph has been annulled by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated August 12, 2010 and No. 27670.

²⁴ The subparagraph has been annulled by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated August 12, 2010 and No. 27670.

²⁵ The paragraph has been added by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated August 12, 2010 and No. 27670.

²⁶ The paragraph has been added by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated August 12, 2010 and No. 27670.

²⁷ The paragraph has been added by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated August 12, 2010 and No. 27670.

²⁸ The paragraph has been added by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated August 12, 2010 and No. 27670.

²⁹ The paragraph has been amended by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated August 19, 2011 and No. 28030.

(3) The announcement of the sales to be carried out under this article, paragraph one, subparagraph (b) shall be made on the Bulletin in no later than two days prior to the commencement of the sales.

(4) The Executive Council is authorized to set forth the principles applicable to the orders and the transactions in the primary market.

Rights coupon transactions

ARTICLE 58 – (1) Within the period of time determined for the exercise of the pre-emptive right for the cash capital increase, which a company whose shares are traded on the ECM shall carry out, a rights coupon trading line is opened, as per the principles to be determined by the Executive Council, for the trading of the rights coupon attached to that share.

(2) The opening date of the rights coupon trading is the first day of the subscription period, and the closing day is the fifth business day prior to the end of the subscription period. The unit of trading is a lot.

(3) The Executive Council is authorized to set forth the principles applicable to the orders and the transactions for the rights coupon trading.

Wholesale transactions

ARTICLE 59 – (1) ³⁰Within the framework of the principles set forth by the Executive Council

a) Private placement of shares to be admitted in the ECM Directory

b) Transactions above a certain amount for the shares in the ECM Directory

are realized via wholesale orders. Sale of shares in this scope to predetermined or unknown buyers via private placement / wholesale is carried out by opening a separate share trading line for the wholesale transactions.

(2) Detailed information on the transaction is announced on the Bulletin as statistical data, both prior to and following the transaction.

(3) Cash and security settlement of wholesale transactions may be realized outside Takasbank provided that it is approved by the Exchange Management and the responsibility rests with the buyer and the seller.

Suspension of trading of a company

ARTICLE 60 – (1) The Chairman of the Exchange may suspend the trading of a company under the following circumstances:

a) Important information about a company listed on the ECM, which is likely to affect investors' decisions of investment, is disclosed and the Exchange Management deems it necessary to inform investors,

b) Important information about the market advisor of a company listed on the ECM, which is likely to affect investors' decisions of investment, is disclosed, and the Exchange Management deems it necessary to inform investors,

c) The market advisor of a company listed on the ECM resigns, is dismissed, or is excluded from the Market Advisors Directory as a result of losing its qualifications to act as a market advisor,

ç) Important information about a market maker who is responsible for a share traded under the market making method, which is likely to affect the market maker's ability to carry out its duties, is disclosed, and the Exchange Management deems it necessary to inform investors,

d) A market maker who is responsible for a share traded under the market making method resigns, or is dismissed and no other market maker takes over its duty,

e) Buy or sell orders of an unusual price and/or quantity are entered into the System for a share in a way to prevent the development of a healthy market for that share,

f) The company fails to make an application for the trading of its shares in any one of submarkets of the ISE Stock Market under the framework of paragraph one of article 13,

³⁰ The paragraph has been amended by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated August 19, 2011 and No. 28030.

g) Other factors, which prevent the healthy operation of the session of share, arise.

(2) If the Chairman of the Exchange decides to resume trading for the relevant share in the same session and there is sufficient time left, the share shall resume trading during that session.

(3) The Chairman of the Exchange may suspend the trading of a share for a maximum period of five business days. The resolution of the Executive Council is required for a suspension exceeding five business days.

(4) Suspension of the trading of a share on the Exchange is announced on the Bulletin and the Exchange along with the reasons of suspension.

(5) Upon resumption of a suspended share, the Chairman of the Exchange may determine its base price, if necessary. If such resumption occurs on the same business day, the Chairman of the Exchange may cancel orders and/or transactions prior to resumption of the trading.

Method to be used for the fulfillment of obligations

ARTICLE 61 – (1) In the fulfillment of obligations arising from the trades on the ECM, the respective provisions of the ISE Regulation, the ISE Settlement and Custody Centers Regulation, and the Guarantee Fund, and the provisions of other relevant legislation in force shall apply.

Deposit

ARTICLE 62 – (1) The of the Exchange may require that, in the case of buy orders, an amount calculated over the proposed price, and in the case of sell orders, all or a portion of the shares be deposited at Takasbank or another bank.

Off-sets of receivables and payables between ISE markets

ARTICLE 63 - (1) Payables and receivables of members arising from their transactions may be set off against the same type of payables and receivables arising from the transactions in the other markets of the ISE. Principles relating to set-off transactions are determined by the Executive Council, in consideration of the opinion of Takasbank.

Default

ARTICLE 64 – (1) Members failing to fulfill their obligations within the specified time in accordance with the provisions of the ISE Regulation and of the present Regulation are deemed to be in default.

(2) In the case of default, the provisions of the ISE Regulation governing default and discipline shall apply.

Process applicable to cash default

ARTICLE 65 - In the event that a member fails to fulfill in part or in whole its cash obligation corresponding to the shares it buys, the shares corresponding to the amount due shall not be delivered to the relevant member.

(2) The amount of shares corresponding to the amount due, starting from the top of a descending list of the most frequently traded shares in the previous month, calculated over the traded value, volume, and the number of contracts shall not be delivered to the member. Primarily, the shares that have been bought with the order that had, according to the member's statement, caused the member to be in default, are not delivered to the member.

Process applicable to share default

ARTICLE 66 – (1) In the case that a member fails to fulfill in part or in whole its share obligations which arise as a result of a sale, no payment is made to that member in proportion to the amount of the obligation it fails to fulfill.

CHAPTER FOUR

Other Provisions

Risk notification form

ARTICLE 67 - (1) Prior to beginning intermediation activities in the primary and secondary market transactions of the securities to be traded on the ECM, the Members are obligated to inform their clients about the criteria of admission to the ECM Directory in respect of the company shares, the market advisor

service, the differences between ECM and the Stock Market in terms of public disclosure and the risk of investing in securities traded on the ECM and any other risks the clients may encounter.

(2) ³¹It is mandatory that the members have their clients sign the ECM Risk Notification Form, the essence of which is designated by the Executive Council, before starting to send such clients' orders to the ECM for the first time. Members are obliged to provide the ECM Risk Notification Form of any of their clients upon the request of the Exchange.

(3) The provisions of the ISE Regulations governing discipline shall apply in the event that the member fails to fulfill the requirements of the first and second paragraphs of this article.

Electronic notification

ARTICLE 68 – (1) In the event that the information relating to companies whose shares are traded on the ECM, which has to be disclosed to the public, is submitted electronically using electronic certificates within the framework of the principles determined by the CMB and the Exchange and that the CMB cancels the obligation to submit information in hard copy, the above mentioned information and documents shall be considered to have been submitted to the Exchange.

Effective Date

ARTICLE 69 – (1) This Regulation shall become effective as of the date of its promulgation.

Enforcement

ARTICLE 70 – (1) The provisions of this Regulation shall be enforced by the Chairman of the ISE.

³¹ The paragraph has been added by the "Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation" published on the Official Journal dated August 12, 2010 and No. 27670.

AMENDED PROVISIONS

- 1- The sixth paragraph of article 48 has been annulled with the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated February 16, 2010 and No. 27495. The sixth paragraph of article 48 prior to the annulment was

48- (6) The Executive Council may determine different principles for orders, trades and priority rules on a trading method basis in consideration of the prevailing market conditions and requirements, and such arrangements become effective upon the approval of CMB. These arrangements are submitted for approval at the first General Assembly of the ISE and the necessary amendments shall be made in the regulations.

- 2- The first paragraph of article 52 has been amended with the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated February 16, 2010 and No. 27495. The first paragraph of article 52 prior to the amendment was

52 - (1) In the multiple price method through market making, the market maker contributes to the creation of a market and realization of transactions by submitting bilateral quotations in the form of buys-sells in its own name and account over such securities for which it is responsible. All the buy and sell orders entered into the System for the related security are matched among themselves and/or with the market maker quotations in accordance with the rules of priority, and thereby converted to a transaction in part or in full.

- 3- The article 11 has been amended with the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 12, 2010 and No. 27670. The article 11 prior to the amendment was

11 – (1) Notifying the Exchange of the distribution date of the shares to be issued as a result of capital increase through bonus and/or rights issues of a company whose shares are included in the ECM Directory, is considered as an additional application for admission to the ECM Directory for the purposes of this Regulation.

(2) In order for that portion of shares to be issued by the company due to a capital increase, which corresponds to the shares included in the ECM Directory prior to the capital increase, to be included in the ECM Directory, an additional application for admission to the ECM Directory, signed jointly by the market advisor and the authorized representatives of the company, should be sent to the Exchange along with the certificate obtained from the CMB evidencing the completion of the capital increase or the Turkish Trade Registry Certificate, along with the information form, in no later than two business days following the completion of the respective documents.

(3) Shares set forth in the second paragraph of this article shall be admitted to the ECM Directory without seeking the criteria for admission to the ECM Directory which are set out in the first and second paragraphs of article 5, and commenced to be traded on the ECM as from the date of distribution to shareholders in accordance with the respective regulations.

- 4- The (ç) subparagraph of the first paragraph of article 14 has been amended with the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 12, 2010 and No. 27670. The (ç) subparagraph prior to the amendment was

14- (1) - ç) the company is in breach of its public disclosure obligations, fails to remedy such breach promptly and/or commits such breach on several occasions,

- 5- The title of article 40 has been amended and paragraphs 2, 3, 4 are added with the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 12, 2010 and No. 27670. The title prior to the amendment was

Session closing price

- 6- Item (6) has been added to the (a) subparagraph of the second paragraph of article 45, “*and are executed with the approval of an expert*” statement of item (c) has been annulled and item (3) of it has been amended with the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 12, 2010 and No. 27670. The item (3) of subparagraph (c) prior to the amendment was

3) If there are counter special or limit orders in the system with a price equal to or better than the price of a special order and also in a quantity that entirely meets the special order, the System does not permit the entry of that special order. The Executive Council may decide not to apply this rule on a trading method basis.

- 7- The first sentence of the first paragraph of article 47 has been amended with the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 12, 2010 and No. 27670. The sentence prior to the amendment was

(1) The following priority rules apply respectively to the determination of priorities in the matching of orders registered in the System except opening price orders and special orders:

- 8- The article 56 has been amended with the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 12, 2010 and No. 27670. The article prior to the amendment was

56 – (1) Sales transactions which the courts, the court-bailiff’s offices and other governmental agencies deem necessary to be executed on the Exchange are conducted in accordance with the following rules:

a) If a base price has been set for the shares required to be sold, this is announced and a separate auction is initiated. If the official auction sales are to be realized separately during the trading hours, the sales method to be followed is determined by the Exchange Management. Intermediary members and their order of priority are determined by draw in advance. An intermediary entitled to become a member after the determination of priority order is added to the end of the list.

b) The member assigned to act as intermediary is paid a brokerage fee based on the tariff. In the case of direct sales, the brokerage fee is received by the Exchange.

c) The Exchange Management determines the maximum number of sessions required to complete the official auction, depending on the nature of the shares and the traded value. Shares that are not sold within that period of time are returned to the relevant authority. In that case, the official auction cannot be repeated on the Exchange for the same shares within the next fifteen days following the closing of the official auction.

ç) The Exchange is responsible for the delivery of the traded shares to the buyers, for the collection of payment and for the reimbursement of the balance to the respective authority after deduction of the Exchange fee, the brokerage fee and other expenses.

- 9- The (a) and (b) subparagraphs of the first paragraph of article 59 have been amended with the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 12, 2010 and No. 27670. The subparagraphs prior to the amendment were

- a) Shares to be issued via capital increase,
- b) Shares held by the existing shareholders

10- The second paragraph of article 67 has been amended with the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 12, 2010 and No. 27670. The paragraph prior to the amendment was

(2) It is mandatory that the members have their customers to sign the ECM Risk Notification Form, the essence of which is designated by the Executive Council, before they convey their customers’ orders to the ECM. The member is obliged to provide the ECM Risk Notification Form of any customer upon request of the Exchange.

11- The (c) subparagraph of the first paragraph of article 5 has been amended with the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated October 1, 2010 and No. 27716. The paragraph prior to the amendment was

5 (1) c) The company fail to comply with at least one of the listing requirements set forth in the ISE Listing Regulation, Article 13, subparagraphs (b), (c), (d), or (e);

12- The first paragraph of article 13 has been amended with the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated October 1, 2010 and No. 27716. The paragraph prior to the amendment was

(1) A company whose shares are traded on the ECM must apply for the listing of its shares on one of the submarkets of the ISE Stock Market in eight weeks following the public disclosure of the year-end independent audit report, provided that the company satisfies the requirements of the ISE Listing Regulation set out under Article 13, subparagraphs (a), (b), (c), (d) and (e) as evidenced by its most recent independently audited year-end financial statements. Pursuant to the provision of article 6 of the ISE Listing Regulation, a company that does not have minimum 250 real person and/or legal entity shareholders at the date of public disclosure of the independent audit report shall be exempt from this obligation. The information and documents required by the Exchange must be completed in order to finalize the application.

13- The first paragraph of article 16 has been amended with the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated October 1, 2010 and No. 27716. The paragraph prior to the amendment was

(1) The Executive Council shall decide on the re-inclusion of the shares of a company previously excluded from the ECM, in consideration of the ECM Directory acceptance criteria laid down in article 5. The Executive Council may stipulate that a certain period of time should have elapsed since the exclusion of the company shares from the ECM Directory.

14- The first paragraph of article 8 has been amended with the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 19, 2011 and No. 28030. The paragraph prior to the amendment was

(1) The company shares start to be traded on the secondary market no earlier than the second trading day that succeeds the day when the decision of the Executive Council approving the ECM Directory application is published on the Bulletin.

15- The second paragraph of article 41 has been amended with the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 19, 2011 and No. 28030. The paragraph prior to the amendment was

2) Principles of determining price ticks may be revised by the Executive Council, provided that it is announced via the Bulletin one week in advance.

16- The first and second paragraphs of the article 45 have been amended with the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 19, 2011 and No. 28030. The paragraphs prior to the amendment were

1) Orders are entered to the System by the member representatives as described by the Executive Council.

(2) Orders eligible for entry in the system are placed in any one of the following forms:

17- The second paragraph of article 57 has been amended with the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 19, 2011 and No. 28030. The paragraph prior to the amendment was

(2) Applications filed with the Exchange under this article, paragraph one, subparagraph (a) and approved by the Executive Council, shall be announced on the Bulletin no later than one week prior to the date of transaction.

18- The first paragraph of the article 59 has been amended with the “Regulation Amending Istanbul Stock Exchange Emerging Companies Market Regulation” published on the Official Journal dated August 19, 2011 and No. 28030. The paragraph prior to the amendment was

(1) Within the framework of the principles set forth by the Executive Council, a wholesale order, which is above a certain amount, may be placed for the share transactions of a company whose shares are being traded on the ECM. Within this scope;

a) Shares to be issued as a result of a capital increase through partial or full restriction of the preemptive rights of the existing shareholders,

b) Shares on the ECM Directory

are sold via private placement / wholesale to a number of predetermined or unknown buyers by opening a separate share trading line for the wholesale trades.