

PRE-CONTRACTUAL INFORMATIVE NOTE FOR MORTGAGE LOAN

Türk Ekonomi Bankası A.Ş.

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This "Pre-contractual Informative Note" is drafted pursuant to the Law no. 6502 on the Protection of the Consumer and the Regulation on Housing Finance Agreements and stipulates the terms and conditions of the credit facility offered to the Credit Customer.

a) Product Information:

Credit Facility Type	
Credit Term (Maturity)	
Requested Credit Facility Amount	

Amount of Interest, Fees, Charges and Commissions to be collected (Table indicating all cost generating items related with the credit facility agreement such as management costs, legal costs and intermediaries' costs):

EXPENSE/INTEREST NAME	INTEREST RATE	EXPENSE AMOUNT (TL)
Monthly Contractual Interest Rate (%)		
Annual Contractual Interest Rate (%)		
Credit Allocation Fee		
Expertise Fee		
Mortgage Establishment Fee		
Insurance charges *		
Default and Delay Interest Rate (Monthly) (%)		
Effective Annual Interest Rate / Annual Cost Rate (%)		
Total Cost of the Credit		
Total Amount of Credit		
Monthly Repayment Amount (Installment) **		

* Insurance charges are not included in the Effective Annual Interest Rate/ Annual Cost Rate calculation.

**For flexible repayment plans, the monthly repayment (installment) amount is indicated in the Repayment Plan which is attached to and an integral part of this Agreement.

For equal installment repayment plans, a year is 360 days, for flexible installment repayment plans, the interest is calculated by taking one year as 365 days. (Annual contractual Interest rate = Monthly Contractual Interest Rate x 12).

THE RATES AND AMOUNTS GIVEN IN THIS INFORMATIVE NOTE ARE BINDING FOR THE BANK UNTIL THE END OF THE WORKING HOURS ON THE DAY THIS INFORMATIVE NOTE IS SIGNED.

b) Fixed Interest loan definition:

Housing finance with fixed interest: This is a type of credit facility which includes an interest rate which is determined in the beginning of the Agreement and which may not be changed without the Bank's and the Customer's mutual consent. In this type of credit facility, the interest rate determined in the beginning may not be changed without the mutual consent of both parties. The monthly repayment amount will not be changed unless the interest rate is changed.

c) Particular risks of the financing and the exchange rate and date to be taken account for the calculation of the repayments and the total debt amount in case house financing is indexed to a foreign currency:

Foreign currency indexed loan is disbursed in Turkish Lira by converting the related foreign currency by using the Effective Buying Rate applied by the Bank to that foreign currency on the date of the disbursement. Repayment of the foreign currency indexed loan shall be made in either on the date and amount indicated in the repayment plan or in Turkish Lira by converting the related foreign currency by using the Effective Selling Rate applied by the Bank to that foreign currency on the date of the actual payment.

Since foreign currency indexed loans are not foreign currency loans but are Turkish Lira loans indexed to foreign currency, the Credit Customer shall pay the Turkish Lira equivalent of the installment amount in foreign currency (FC) as indicated in the repayment plan, which will be calculated by multiplying the installment amount with the Bank's Exchange Selling Rate on the installment date.

ç) Fixed Rate Loans:

1) Information on potential impacts of such type of financing to Credit Customer:

In case the interest rate is fixed in the agreement, the interest rate determined in the beginning may not be changed without the mutual consent of both parties. The monthly repayment amount will not be changed unless the interest rate is changed.

2) Conditions related with early payment of the credit facility:

In case the interest rate is fixed, and one or several installments are made before the maturity date or the credit amount is totally or partially early paid; and after the required discounts on the interest and other costs, the Credit Customer will be charged the Early Repayment Fee the rate of which will be calculated by taking into account the remaining maturity. An Early Repayment Fee at a rate of 1% of the early paid amount may be charged if the remaining maturity is equal to or less than 36 (thirty-six) months; and an Early Repayment Fee at a rate of 2% of the early paid amount may be charged if the remaining maturity is more than 36 (thirty-six) months.

d) Miscellaneous:

House Expertise Procedure: It is a requirement for the Bank to conduct an expertise procedure for the house via a licensed expertise company pursuant to the Capital Markets Legislation for the purpose of determining the credit facility amount to be extended to the Credit Customer. The expertise fee shall be paid by the Credit Customer to the Bank. For the expertise procedure, the Credit Customer is only charged the amounts paid to third parties and for which proof of evidence is available. If the Bank decides not to extend the credit, regardless the reason, the expertise fee paid to the Expertise Company will not be refunded to the Credit Customer. A copy of the expertise report, if any, will be provided by the Bank to the Credit Customer upon his/her demand.

Related Account: In case an account related with the house financing agreement is opened, and if only transactions related with the credit facility have been conducted, no fee or expense including account operating fee shall be collected from the Credit Customer; and the accounts which has no positive balance shall be closed when the credit facility is totally repaid unless the Credit Customer demands otherwise in writing.

Notices: If the creditworthiness assessment is negative the Bank will immediately inform the Credit Customer free of charge.

e) Insurance:

No insurance agreement may be concluded without the express demand of the Credit Customer given in writing or through a permanent data register mean. If the Credit Customer is willing to conclude an insurance agreement, the Credit Customer may execute that agreement either with the insurance company which the Bank is an agent of or another insurance company the Credit Customer will choose; and such insurance coverage shall be accepted by the Bank. However the said insurance coverage must be aligned with the subject of the credit facility and, for fixed sum insurances, it must be aligned with the outstanding and maturity of the credit.

f) Securities to be requested from the Credit Customer: Surety, pledge on movable and/or immovable assets

As the security of the installments indicated in the Repayment Plan which consist of the principal and the interests; and any and all types of fund, costs and expenses; and all debts, undertakings and liabilities towards the Bank, the Credit Customer shall establish a 1st rank mortgage or at a rank to be accepted by the Bank on the house in favor of the Bank which will not be restricted with any exceptional or optional encumbrance, vested with the right to benefit from the free rank and valid until the release of the mortgage is requested by the Bank.

The Credit Customer accepts and undertakes that in case he/she is notified of the fact that the real property on which mortgage is established do not cover anymore the debt to become payable, he/she will provide to the Bank additional security such as movable, immovable etc. for the uncovered part within 10 days following the receipt of such notice.

The Bank is entitled to assess, audit the conditions or evaluate the value of the mortgaged real property each year or at any time at its discretion; and the Bank may request, if deemed necessary by the Bank, new securities the appropriateness in terms of value and quality will be considered by the Bank, based on the value to be assessed by the Bank. Value assessment of the real property shall be conducted by real property assessment experts having real property assessment expert license and who will be chosen by the Bank.

Personal securities granted to the Bank under this Agreement as the security of the mortgage loan extended by the Bank will be qualified as surety whatever is the title or denomination of the security. The personal securities to be granted by the counterparty as the security of the Credit Customer's receivables shall be deemed as joint surety unless it is otherwise stipulated in the laws. The Credit Customer and the Sureties acknowledge, accept and undertake the items stipulated in this clause.

Bank and Insurance Transactions Tax (BITT) rate:

0% for the credit facilities for house acquiring purposes

For consumer loans secured by the real properties owned by the Credit Customer, BITT exception rate is 5%.

Resource Utilization Support Fund (RUSF) rate:

0% for the credit facilities for house acquiring purposes

15% for consumer loans secured by the real properties owned by the Credit Customer

g) **Default interest rate in case of default in payments:**

The default interest rate indicated in the Repayment Plan given in Annex-1 shall be applied to the unpaid installments from the maturity until the actual payment date. The default interest rate is calculated for the fixed rate loans as 30% more of the monthly contractual interest rate at most.

No compound interest is applied for the credit facility including the event of default.

ğ) **Consequences of non-payment of the Credit Customer within the period given in the default notice:**

The installments given in the Repayment Plan become due and payable on the date of payment without the necessity of any further notice. If the payment date is not a working day the payment must be made the first working date following the payment date.

The default interest rate defined above shall be applied to the installments unpaid on the due date until the actual payment date.

In case minimum two consecutive installments are not paid on due date, the Bank shall send an acceleration notice to the Credit Customer and give a period of 30 (thirty) days for payment. If the debt is not paid within this period, the Bank is not only authorized to ask the payment of the payable amount together with the interest, commissions and charges but also to accelerate the total amount of the credit facility. If the credit is accelerated, the Bank shall start the legal process for the Credit Customer and the evacuation of the real property shall be requested pursuant to the relevant provisions of Law no. 2004 on Execution and Enforcement as amended by the law no. 5582.

The Bank is entitled to accelerate the total credit facility back in case it is ascertain that any of the information provided in the House Financing Credit Facility Agreement Application Form is not true; the Credit Customer becomes totally or partially insolvent; an action with preliminary injunction demand has been started by third parties or a preliminary injunction decision has been granted for the Credit Customer; the Credit Customer becomes unable to provide additional security upon the Bank's demand, or to pay the insurance premiums paid by the Bank; the credit facility is unpaid due to the death of the Credit Customer; the Credit Customer is bankrupt, or request grace period for arrangement creditors; the Credit Customer is put under restraint or an administrator is appointed.

If the credit facility is a Foreign Currency indexed Loan, as of the date the total credit facility amount becomes due, the Bank's receivable shall be calculated in Turkish Lira by using the Effective Selling Rate applied by the Bank's to that foreign currency on the due date.

The Credit Customer declares and agrees that he/she read and understood the information given in this informative note; and received one original of this informative note consisting of 3(three) pages and executed in 2 (two) originals together with the Annex- 1 Repayment Plan and Annex-2 Repayment Plan Template.

ANNEX-1: Repayment Plan

ANNEX-2: Repayment Plan Template

Credit Customer Name and Signature:

Date:

TÜRK EKONOMİ BANKASI A.Ş.

Direktör


Direktör
