

WHITE & CASE

**Dated 21 April 2017
as last amended and restated on 5 May 2020**

Amended and Restated Agency Agreement

in relation to the €2,000,000,000 Global Covered Bond Programme

among

Türkiye İş Bankası A.Ş.
as Issuer

The Bank of New York Mellon, London Branch
as Fiscal Agent, Exchange Agent and Security Agent

and

The Bank of New York Mellon SA/NV, Luxembourg Branch
as Registrar and Transfer Agent

White & Case LLP
Level 6, Burj Daman
Dubai International Financial Centre
P.O. Box 9705
Dubai
United Arab Emirates

Table of Contents

| | Page |
|--|-------------|
| 1. Definitions, Interpretation and Construction | 3 |
| 2. Appointment of Agents..... | 4 |
| 3. Issue of Global Covered Bonds | 6 |
| 4. Exchange of Global Covered Bonds..... | 9 |
| 5. Determination of End of Distribution Compliance Period | 11 |
| 6. Terms of Issue..... | 11 |
| 7. Payments..... | 13 |
| 8. Determinations and Notifications in respect of Covered Bonds and Interest Determination ... | 21 |
| 9. Notice of any Withholding or Deduction..... | 24 |
| 10. Other Duties of the Registrar | 25 |
| 11. Duties of the Transfer Agents | 26 |
| 11A. Transfer of Interests | 27 |
| 12. Regulations for Transfers of Registered Covered Bonds..... | 28 |
| 13. Duties of the Agents in connection with Early Redemption..... | 28 |
| 14. Notice Provisions Applicable to Covered Bonds with an Extended Final Maturity Date | 28 |
| 15. Receipt and Publication of Notices..... | 29 |
| 16. Cancellation of Covered Bonds, Receipts, Coupons and Talons..... | 29 |
| 17. Issue of Replacement Covered Bonds, Receipts, Coupons and Talons..... | 31 |
| 18. Copies of Documents Available for Inspection | 32 |
| 19. Meetings of Covered Bondholders | 32 |
| 20. Commissions and Expenses..... | 32 |
| 21. Indemnity | 33 |
| 22. Responsibility of the Agents..... | 34 |
| 23. Conditions of Appointment..... | 34 |
| 24. Communications between the Parties | 36 |
| 25. Changes in Agents | 36 |
| 26. Merger and Consolidation..... | 38 |
| 27. Notification of Changes to Agents..... | 38 |
| 28. Change of Specified Office..... | 38 |
| 29. Communications | 39 |
| 30. Taxes and Stamp Duties..... | 40 |
| 31. Currency Indemnity | 40 |
| 32. Amendments | 40 |
| 33. Reliance on Documents | 43 |
| 34. Provision of Information..... | 44 |

| | Page |
|---|-------------|
| 35. Monitoring | 44 |
| 36. Illegality and Own Funds..... | 44 |
| 37. The Security Agent | 44 |
| 38. Assignment | 45 |
| 39. Contracts (Rights of Third Parties) Act 1999 | 46 |
| 40. Governing Law and Submission to Jurisdiction | 46 |
| 41. Counterparts and Invalidation..... | 47 |
| Schedule 1 Terms and Conditions of the Covered Bonds | 48 |
| Schedule 2 Form of Deed of Covenant..... | 48 |
| Schedule 3 Provisions for Meetings of Covered Bondholders | 54 |
| Schedule 4 Form of Global and Definitive Covered Bonds, Receipts, Coupons and Talons..... | 66 |
| Part 1 Form of Temporary Bearer Global Covered Bond | 66 |
| Part 2 Form of Permanent Bearer Global Covered Bond..... | 79 |
| Part 3 Form of Registered Global Covered Bond | 92 |
| Part 4 Form of Bearer Definitive Covered Bond | 101 |
| Part 5 Form of Coupon..... | 106 |
| Part 6 Form of Receipt | 107 |
| Part 7 Form of Talon | 108 |
| Part 8 Form of Registered Definitive Covered Bond | 110 |
| Schedule 5 Form of Deed Poll..... | 117 |
| Schedule 6 Form of Transfer Certificate | 121 |
| Schedule 7 Form of IAI Investment Letter..... | 124 |
| Schedule 8 Register and Transfer of Registered Covered Bonds | 126 |
| Schedule 9 Additional Duties of the Fiscal Agent and the Registrar..... | 128 |

This Agreement (this “**Agreement**”) is dated 21 April 2017 as last amended and restated on 5 May 2020

Among:

- (1) **Türkiye İş Bankası A.Ş.**, a banking institution organised as a joint stock company (*anonim şirket*) under the laws of Turkey with (as of the date hereof) its registered office at İş Kuleleri 34330 Levent, Beşiktaş, İstanbul, Turkey with LEI 789000FIRX9MDN0KTM91 (the “**Bank**” or the “**Issuer**”);
- (2) **The Bank of New York Mellon, London Branch** of One Canada Square, London E14 5AL, United Kingdom, as fiscal agent and principal paying agent (the “**Fiscal Agent**”, which expression shall include any successor fiscal agent appointed under Clause 25 (*Changes in Agents*)), as exchange agent (the “**Exchange Agent**”, which expression shall include any successor exchange agent appointed under Clause 25 (*Changes in Agents*)) and as security agent (the “**Security Agent**”, which expression shall include any successor security agent appointed in accordance with the provisions of the Security Agency Agreement under Clause 25 (*Changes in Agents*)); and
- (3) **The Bank of New York Mellon SA/NV, Luxembourg Branch** of 46 Rue Montoyer, B-1000 Brussels, Belgium, acting through its Luxembourg branch located in the Grand Duchy of Luxembourg at 2-4 Rue Eugène Ruppert, L-2453 Luxembourg, as registrar (the “**Registrar**”, which expression shall include any successor registrar appointed under Clause 25 (*Changes in Agents*)) and as transfer agent (together with the Registrar, the “**Transfer Agents**”, which expression shall include any successor transfer agent appointed under Clause 25 (*Changes in Agents*)).

It is hereby agreed as follows:

1. Definitions, Interpretation and Construction

Unless otherwise defined in this Agreement or the context requires otherwise, words and expressions used in this Agreement have the meanings and constructions ascribed to them in the master definitions and construction schedule dated on the date of this Agreement and signed for the purpose of identification by Mayer Brown LLP and White & Case LLP as amended, restated and/or supplemented from time to time (the “**Master Definitions and Construction Schedule**”). For the avoidance of doubt, the “date of this Agreement” is 5 May 2020.

- 1.1 (a) In this Agreement, unless the contrary intention appears, a reference to the “**records**” of DTC, Euroclear and/or Clearstream, Luxembourg shall be to the records that each of DTC, Euroclear and/or Clearstream, Luxembourg holds for its customers which reflect the amount of such customer’s interest in the Covered Bonds.
- (b) If there is any conflict between the provisions of the Master Definitions and Construction Schedule and the provisions of this Agreement, the provisions of this Agreement will prevail with respect to this Agreement.
- (c) All references in this Agreement to costs, charges or expenses shall include any value added tax or similar tax charged or chargeable in respect thereof.
- (d) All references in this Agreement to Covered Bonds shall, unless the context otherwise requires, include any Global Covered Bond representing Covered Bonds.
- (e) All references in this Agreement to principal and/or interest or both in respect of the Covered Bonds or to any moneys payable by the Issuer under this Agreement shall be construed in accordance with Condition 5 (*Payments*).

- (f) All references in this Agreement to the “**relevant currency**” shall be construed as references to the currency in which payments in respect of the relevant Covered Bonds, Receipts and/or Coupons are to be made.
 - (g) All references in this Agreement to Euroclear and/or Clearstream, Luxembourg and/or DTC shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer and the Fiscal Agent or as otherwise specified in the applicable Final Terms.
 - (h) All references in this Agreement to a Directive include any relevant implementing measure of each Member State which has implemented such Directive.
- 1.2 Except to the extent specified otherwise, for the purposes of this Agreement, the Covered Bonds of each Series shall form a separate series of Covered Bonds and the provisions of this Agreement shall apply *mutatis mutandis* separately and independently to the Covered Bonds of each Series and in this Agreement the expressions “**Covered Bonds**”, “**Covered Bondholders**”, “**Receipts**”, “**Receiptholders**”, “**Coupons**”, “**Couponholders**”, “**Talons**” and related expressions shall be construed accordingly.
- 1.3 As used herein, in relation to any Covered Bonds which are to have a “listing” or be “listed”:
- (a) on Euronext Dublin, “**listing**” and “**listed**” shall be construed to mean that such Covered Bonds have been admitted to the official list of Euronext Dublin and to trading on Euronext Dublin’s regulated market, (b) on any other Stock Exchange in a jurisdiction within the EEA where such Covered Bonds are to be listed on a regulated market for the purposes of MiFID II, “**listing**” and “**listed**” shall be construed to mean that such Covered Bonds have been admitted to trading on a market within that jurisdiction which is such a regulated market, and (c) on any other Stock Exchange, shall be construed to mean that such Covered Bonds have been admitted to trading on the relevant Stock Exchange in accordance with the rules and regulations applicable to such Stock Exchange.

2. Appointment of Agents

- 2.1 The Fiscal Agent is hereby appointed by the Issuer, and the Fiscal Agent hereby agrees to act, as fiscal agent of the Issuer upon the terms and subject to the conditions set out below, for the following purposes:
- (a) completing, authenticating and delivering Temporary Bearer Global Covered Bonds and Permanent Bearer Global Covered Bonds and (if required) authenticating and delivering Bearer Definitive Covered Bonds;
 - (b) giving effectuation instructions and electing a common safekeeper in respect of each Bearer Global Covered Bond which is a Eurosystem-eligible NGCB;
 - (c) giving effectuation instructions and electing a common safekeeper in respect of each Registered Global Covered Bond which is held under the NSS;
 - (d) exchanging Temporary Bearer Global Covered Bonds for Permanent Bearer Global Covered Bonds or Bearer Definitive Covered Bonds, as the case may be, in accordance with the terms of Temporary Bearer Global Covered Bonds and, in respect of any such exchange: (i) making all notations on Temporary Bearer Global Covered Bonds which are CGCBs as required by their terms and (ii) instructing Euroclear and Clearstream, Luxembourg to make appropriate entries in their records in respect of all Global Covered Bonds in bearer form which are NGCBs;
 - (e) exchanging Permanent Bearer Global Covered Bonds for Bearer Definitive Covered Bonds in accordance with the terms of Permanent Bearer Global Covered Bonds and, in respect of any such exchange: (i) making all notations on Permanent Bearer Global

Covered Bonds which are CGCBs as required by their terms and (ii) instructing Euroclear and Clearstream, Luxembourg to make appropriate entries in their records in respect of all Permanent Bearer Global Covered Bonds which are NGCBs;

- (f) paying sums due on Bearer Global Covered Bonds, Bearer Definitive Covered Bonds, Receipts and Coupons and instructing Euroclear and Clearstream, Luxembourg to make appropriate entries in their records in respect of all Bearer Global Covered Bonds which are NGCBs;
- (g) exchanging Talons for Coupons in accordance with the Conditions;
- (h) with respect to a Tranche that includes Regulation S Covered Bonds, determining the end of the Distribution Compliance Period (if any) applicable to such Tranche in accordance with Clause 5 (*Determination of End of Distribution Compliance Period*);
- (i) unless otherwise specified in the applicable Final Terms, determining the interest and/or other amounts payable in respect of the Covered Bonds in accordance with the Conditions;
- (j) arranging on behalf of and at the expense of the Issuer for notices to be communicated to the Covered Bondholders in accordance with the Conditions;
- (k) ensuring that, as directed by the Issuer, all necessary action is taken to comply with any reporting requirements of any competent authority as may be in force from time to time with respect to the Covered Bonds to be issued under the Programme;
- (l) subject to the Procedures Memorandum, submitting to the relevant authority or authorities such number of copies of each Final Terms which relates to Covered Bonds which are to be listed as the relevant authority or authorities may require; and
- (m) performing all other obligations and duties imposed upon it by the Conditions, this Agreement and the Procedures Memorandum.

2.2 Each Paying Agent is hereby appointed, and each Paying Agent hereby agrees to act, as paying agent of the Issuer, upon the terms and subject to the conditions set out below, for the purposes of paying sums due on any Covered Bonds, Receipts and Coupons and performing all other obligations and duties imposed upon it by the Conditions and this Agreement.

2.3 Each Transfer Agent is hereby appointed, and each Transfer Agent hereby agrees to act, as transfer agent of the Issuer, upon the terms and subject to the conditions set out below, for the purposes of effecting transfers of Registered Definitive Covered Bonds and performing all the other obligations and duties imposed upon it by the Conditions and this Agreement.

2.4 The Exchange Agent is hereby appointed, and the Exchange Agent hereby agrees to act, as exchange agent of the Issuer, upon and subject to the terms and conditions set out below, for the purposes of effecting the conversion of non-U.S. dollar payments into U.S. dollars and performing all other obligations and duties imposed upon it by the Conditions and this Agreement.

2.5 The Registrar is hereby appointed, and the Registrar hereby agrees to act, as registrar of the Issuer, upon the terms and subject to the conditions set out below, for the following purposes:

- (a) completing, authenticating and delivering Regulation S Registered Global Covered Bonds, Rule 144A Global Covered Bonds, IAI Global Covered Bonds and Registered Definitive Covered Bonds and for the avoidance of doubt the parties hereto acknowledge that any such Regulation S Registered Global Covered Bonds, Rule 144A Global Covered Bonds, IAI Global Covered Bonds and/or Registered

Definitive Covered Bonds may be signed, authenticated and stored electronically by the Registrar;

- (b) paying sums due on Registered Covered Bonds; and
- (c) performing all the other obligations and duties imposed upon it by the Conditions, this Agreement and the Procedures Memorandum, including, without limitation, those set out in Clause 10 (*Other Duties of the Registrar*).

The Registrar may from time to time, subject to the prior written consent of the Issuer, delegate certain of its functions and duties set out in this Agreement to the Fiscal Agent.

- 2.6 In relation to: (a) each issue of Eurosystem-eligible NGCBs and (b) each issue of Covered Bonds intended to be held under the NSS, the Issuer hereby authorises and instructs the Fiscal Agent to elect Euroclear or Clearstream, Luxembourg as common safekeeper. From time to time, the Issuer and the Fiscal Agent may agree to vary this election. The Issuer acknowledges that any such election of Euroclear or Clearstream, Luxembourg is subject to the right of Euroclear and Clearstream, Luxembourg to jointly determine which of them shall act as common safekeeper in relation to any such issue and agrees that no liability shall attach to the Fiscal Agent in respect of any such election made by it.
- 2.7 The obligations of the Agents under this Agreement are several and not joint.

3. Issue of Global Covered Bonds

- 3.1 Subject to Clause 3.5, following receipt of a copy of the applicable Final Terms by fax or other means of electronic communication attaching a copy of such Final Terms signed by the Issuer, the Issuer authorises the Fiscal Agent and the Registrar, and each of the Fiscal Agent and the Registrar agrees, to take the related steps required of it in the Procedures Memorandum.
- 3.2 For the purpose of Clause 3.1, the Fiscal Agent will on behalf of the Issuer, if specified in the applicable Final Terms that a Temporary Bearer Global Covered Bond will initially represent a Tranche of Covered Bonds:
- (a) prepare a Temporary Bearer Global Covered Bond for such Tranche by attaching a copy of the applicable Final Terms to a copy of the signed master Temporary Bearer Global Covered Bond;
 - (b) authenticate such Temporary Bearer Global Covered Bond;
 - (c) deliver such Temporary Bearer Global Covered Bond to the specified common depositary (if such Temporary Bearer Global Covered Bond is a CGCB) or specified common safekeeper (if such Temporary Bearer Global Covered Bond is a NGCB) for Euroclear and Clearstream, Luxembourg and, in the case of a Temporary Bearer Global Covered Bond which is a Eurosystem-eligible NGCB, instruct the common safekeeper to effectuate the same;
 - (d) ensure that the Covered Bonds of such new Tranche are assigned, as applicable, security numbers (including, but not limited to, common codes, ISIN numbers, CUSIP numbers, CINS numbers, CFI and/or FISN codes (as applicable)) which are different from the security numbers assigned to Covered Bonds of any other Tranche of the same Series until at least the expiry of the Distribution Compliance Period in respect of such new Tranche; and
 - (e) if such Temporary Bearer Global Covered Bond is a NGCB, instruct Euroclear and Clearstream, Luxembourg to make the appropriate entries in their records to reflect

the initial aggregate Principal Amount Outstanding of the relevant Tranche of Covered Bonds.

3.3 For the purpose of Clause 3.1, the Fiscal Agent will on behalf of the Issuer, if specified in the applicable Final Terms that a Permanent Bearer Global Covered Bond will represent a Tranche of Covered Bonds on issue:

- (a) in the case of the first Tranche of the applicable Series of Covered Bonds, prepare a Permanent Bearer Global Covered Bond by attaching a copy of the applicable Final Terms to a copy of the master Permanent Bearer Global Covered Bond;
- (b) in the case of the first Tranche of the applicable Series of Covered Bonds, authenticate such Permanent Bearer Global Covered Bond;
- (c) in the case of the first Tranche of the applicable Series of Covered Bonds, deliver such Permanent Bearer Global Covered Bond to the specified common depositary (if such Permanent Bearer Global Covered Bond is a CGCB) or specified common safekeeper (if such Permanent Bearer Global Covered Bond is a NGCB) for Euroclear and/or Clearstream, Luxembourg; and, in the case of a Permanent Bearer Global Covered Bond which is a Eurosystem-eligible NGCB, instruct the common safekeeper to effectuate the same;
- (d) if such Permanent Bearer Global Covered Bond is a NGCB, instruct Euroclear and Clearstream, Luxembourg to make the appropriate entries in their records to reflect the initial aggregate Principal Amount Outstanding of the relevant Tranche of Covered Bonds;
- (e) in the case of a subsequent Tranche of the applicable Series of Covered Bonds, deliver the applicable Final Terms to the specified common depositary or common safekeeper, as the case may be, for attachment to such Permanent Bearer Global Covered Bond and, in the case where such Permanent Bearer Global Covered Bond is a CGCB, make all appropriate entries on the relevant Schedule to such Permanent Bearer Global Covered Bond to reflect the increase in its Principal Amount Outstanding or, in the case where such Permanent Bearer Global Covered Bond is a NGCB, instruct Euroclear and Clearstream, Luxembourg to make the appropriate entries in their records to reflect the increased aggregate Principal Amount Outstanding of the relevant Series; and
- (f) ensure that the Covered Bonds of such new Tranche are assigned, as applicable, security numbers (including, but not limited to, common codes, ISIN numbers, CUSIP numbers, CINS numbers, CFI and/or FISN codes (as applicable)) which are different from the security numbers assigned to the Covered Bonds of any other Tranche of the same Series until at least the expiry of the Distribution Compliance Period in respect of such new Tranche.

3.4 For the purpose of Clause 3.1, the Fiscal Agent or, as the case may be, the Registrar will on behalf of the Issuer, if specified in the applicable Final Terms that a Regulation S Registered Global Covered Bond and/or a Rule 144A Global Covered Bond and/or an IAI Global Covered Bond will represent the Covered Bonds on issue or that the Covered Bonds are to be issued in the form of Registered Definitive Covered Bonds:

- (a) (in the case of the Registrar) prepare a Regulation S Registered Global Covered Bond and/or a Rule 144A Global Covered Bond and/or an IAI Global Covered Bond and/or a Registered Definitive Covered Bond by attaching a copy of the applicable Final Terms to a copy of the relevant signed master Registered Global Covered Bond and/or Registered Definitive Covered Bond;

- (b) (in the case of the Registrar) authenticate (or procure the authentication of) the relevant Registered Global Covered Bond and/or Registered Definitive Covered Bonds;
- (c) (in the case of the Registrar) in the case of the first (and any subsequent) Tranche of the applicable Series of Covered Bonds, deliver:
 - (i) in the case of a Registered Global Covered Bond registered in the name of a nominee for a common depository or common safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg, such Registered Global Covered Bond to the specified common depository or common safekeeper for Euroclear and Clearstream, Luxembourg and, in the case of a Registered Global Covered Bond which is held under the NSS, to instruct the common safekeeper to effectuate the same;
 - (ii) in the case of a Registered Global Covered Bond registered in the name of a nominee for DTC, such Registered Global Covered Bond to a custodian for DTC; and
 - (iii) in the case of a Registered Definitive Covered Bond, such Registered Definitive Covered Bond to or to the order of the relevant Dealer or Direct Investor (as the case may be); and
- (d) (in the case of the Fiscal Agent) ensure that the Covered Bonds of each Tranche are assigned, as applicable, security numbers (including (as applicable), but not limited to, CUSIP numbers, CINS numbers, common codes, ISIN numbers, CFI and/or FISN codes (as applicable)), including, where a further Tranche of Covered Bonds is issued that is intended to form a single Series with an existing Tranche of Covered Bonds on a date after the Issue Date of the further Tranche, a common code and ISIN number and, where applicable, a CUSIP and CINS number which are different from the security numbers assigned to Covered Bonds of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series (which shall not be prior to the expiry of any applicable Distribution Compliance Period applicable to the Covered Bonds of such further Tranche).

3.5 Each of the Fiscal Agent and the Registrar shall only be required to perform its obligations under this Clause 3 if it holds (as applicable):

- (a) a master Temporary Bearer Global Covered Bond duly executed by a person or persons duly authorised to execute the same on behalf of the Issuer, which may be used by the Fiscal Agent for the purpose of preparing Temporary Bearer Global Covered Bonds in accordance with Clause 3.2 and Clause 4 (*Exchange of Global Covered Bonds*);
- (b) a master Permanent Bearer Global Covered Bond duly executed by a person or persons duly authorised to execute the same on behalf of the Issuer, which may be used by the Fiscal Agent for the purpose of preparing Permanent Bearer Global Covered Bonds in accordance with Clause 3.3 and Clause 4 (*Exchange of Global Covered Bonds*);
- (c) a master Regulation S Registered Global Covered Bond, a master Rule 144A Global Covered Bond and a master IAI Global Covered Bond, each duly executed by a person or persons duly authorised to execute the same on behalf of the Issuer, which may be used by the Registrar for the purpose of preparing Regulation S Registered Global Covered Bonds, Rule 144A Global Covered Bonds and IAI Global Covered Bonds, respectively, in accordance with Clause 3.4;

- (d) a master Registered Definitive Covered Bond duly executed by a person or persons duly authorised to execute the same on behalf of the Issuer, which may be used by the Registrar for the purpose of preparing Registered Definitive Covered Bonds in accordance with Clause 3.4; and
 - (e) signed copies of the applicable Final Terms.
- 3.6 The Issuer undertakes to ensure that the Fiscal Agent and/or the Registrar receives, on demand in writing, copies of each document specified in Clause 3.5 in a timely manner.
- 3.7 Where the Fiscal Agent delivers via electronic means any authenticated Bearer Global Covered Bond to a common safekeeper for effectuation, it is authorised and instructed to destroy the Bearer Global Covered Bond retained by it following its receipt of confirmation from the common safekeeper that the relevant Bearer Global Covered Bond has been effectuated.

4. Exchange of Global Covered Bonds

- 4.1 The Fiscal Agent shall determine the Exchange Date for each Temporary Bearer Global Covered Bond in accordance with its terms. As promptly as practicable after determining any Exchange Date, the Fiscal Agent shall notify its determination to the Issuer, the other Agents, the relevant Dealer(s) or Regulation S Direct Investor(s), Euroclear and Clearstream, Luxembourg.
- 4.2 Where a Temporary Bearer Global Covered Bond is to be exchanged for a Permanent Bearer Global Covered Bond, the Fiscal Agent is authorised and instructed by the Issuer:
- (a) to prepare and complete a Permanent Bearer Global Covered Bond in accordance with the terms of such Temporary Bearer Global Covered Bond applicable to the Tranche by attaching a copy of the applicable Final Terms to a copy of the signed master Permanent Bearer Global Covered Bond;
 - (b) to authenticate such Permanent Bearer Global Covered Bond;
 - (c) in the case of the first Tranche of the applicable Series of Covered Bonds, if such Permanent Bearer Global Covered Bond is a CGCB, to deliver such Permanent Bearer Global Covered Bond to the common depositary which is holding the applicable Temporary Bearer Global Covered Bond representing the Tranche for the time being on behalf of Euroclear and/or Clearstream, Luxembourg to hold on behalf of the Issuer pending its exchange for the applicable Temporary Bearer Global Covered Bond;
 - (d) in the case of the first Tranche of the applicable Series of Covered Bonds, if such Permanent Bearer Global Covered Bond is a NGCB, to deliver such Permanent Bearer Global Covered Bond to the common safekeeper which is holding the applicable Temporary Bearer Global Covered Bond representing the Tranche for the time being on behalf of Euroclear and/or Clearstream, Luxembourg to effectuate (in the case of a Permanent Bearer Global Covered Bond which is a Eurosystem-eligible NGCB) and to hold on behalf of the Issuer pending its exchange for the applicable Temporary Bearer Global Covered Bond;
 - (e) in the case of a subsequent Tranche of the applicable Series of Covered Bonds, if such Permanent Bearer Global Covered Bond is a CGCB, to attach a copy of the applicable Final Terms to the Permanent Bearer Global Covered Bond applicable to the relevant Series and to enter details of any exchange in whole or in part; and

- (f) in the case of a subsequent Tranche of the applicable Series of Covered Bonds, if such Permanent Bearer Global Covered Bond is a NGCB, to deliver the applicable Final Terms to the specified common safekeeper.
- 4.3 Where a Global Covered Bond is to be exchanged for one or more Definitive Covered Bond(s) in accordance with its terms, the Fiscal Agent (with respect to Bearer Covered Bonds) or the Registrar (with respect to Registered Covered Bonds) is authorised by the Issuer and instructed:
- (a) to authenticate the applicable number of Definitive Covered Bonds in accordance with the provisions of this Agreement; and
- (b) to deliver such Definitive Covered Bond(s) (in the case of Bearer Definitive Covered Bonds) to or to the order of Euroclear and/or Clearstream, Luxembourg and (in the case of Registered Definitive Covered Bonds) as the Registrar may be directed by the holder(s) of such Registered Definitive Covered Bond(s).
- 4.4 Upon any exchange of all or a part of an interest in a Temporary Bearer Global Covered Bond for an interest in a Permanent Bearer Global Covered Bond or upon any exchange of all or a part of an interest in a Temporary Bearer Global Covered Bond or a Permanent Bearer Global Covered Bond for Bearer Definitive Covered Bonds, the Fiscal Agent shall: (a) procure that the relevant Global Covered Bond shall, if it is a CGCB, be endorsed by or on behalf of the Fiscal Agent to reflect the reduction of its Principal Amount Outstanding by the aggregate Principal Amount Outstanding so exchanged and, where applicable, such Permanent Bearer Global Covered Bond shall be endorsed by or on behalf of the Fiscal Agent to reflect the increase in its Principal Amount Outstanding as a result of any exchange for an interest in the relevant Temporary Bearer Global Covered Bond or (b) in the case of any Bearer Global Covered Bond which is a NGCB, instruct Euroclear and Clearstream, Luxembourg to make appropriate entries in their records to reflect such exchange. Until exchanged in full, the holder of an interest in any Bearer Global Covered Bond shall in all respects be entitled to the same benefits under this Agreement as the holder of Bearer Definitive Covered Bonds, Receipts and Coupons authenticated and delivered under this Agreement, subject as set out in the Conditions. The Fiscal Agent is authorised on behalf of the Issuer and instructed: (i) in the case of any Bearer Global Covered Bond which is a CGCB, to endorse or to arrange for the endorsement of the relevant Bearer Global Covered Bond to reflect the reduction in the Principal Amount Outstanding represented by it by the amount so exchanged and, if appropriate, to endorse the relevant Permanent Bearer Global Covered Bond to reflect any increase in the Principal Amount Outstanding represented by it and, in either case, to sign in the relevant space on the relevant Bearer Global Covered Bond recording the exchange and reduction or increase, (ii) in the case of any Bearer Global Covered Bond which is a NGCB, to instruct Euroclear and Clearstream, Luxembourg to make appropriate entries in their records to reflect such exchange, and (iii) in the case of a total exchange, to cancel or arrange for the cancellation of the relevant Bearer Global Covered Bond.
- 4.5 Upon any exchange of all or a part of an interest in a Rule 144A Global Covered Bond or IAI Global Covered Bond for an interest in a Regulation S Registered Global Covered Bond or *vice versa* or upon exchange of an interest in a Registered Global Covered Bond for Registered Definitive Covered Bonds or *vice versa*, the relevant Registered Global Covered Bond(s) shall be presented to the Registrar and endorsed by the Registrar to reflect the reduction or increase (as the case may be) in its/their Principal Amount Outstanding by the Registrar or on its behalf. The Registrar is authorised on behalf of the Issuer: (a) to endorse or to arrange for the endorsement of the relevant Registered Global Covered Bond(s) to reflect the reduction or increase (as the case may be) in the Principal Amount Outstanding represented by it or them and, in either case, to sign in the relevant space on the relevant Registered Global Covered Bond(s) recording the exchange and reduction or increase, (b) to make all appropriate entries in the Register and (c) in the case of a total exchange for

Registered Definitive Covered Bonds, to cancel or arrange for the cancellation of the relevant Registered Global Covered Bond.

- 4.6 The Fiscal Agent (with respect to Bearer Covered Bonds) or the Registrar (with respect to Registered Covered Bonds) shall notify the Issuer as promptly as practicable after it receives a request for the issue of Definitive Covered Bonds in accordance with the provisions of a Global Covered Bond and the aggregate Principal Amount Outstanding of the Global Covered Bond to be exchanged.
- 4.7 The Issuer undertakes to deliver to the Fiscal Agent and the Registrar sufficient numbers of executed Definitive Covered Bonds with, in the case of Bearer Definitive Covered Bonds if applicable, Receipts, Coupons and Talons attached, to enable each of the Fiscal Agent and the Registrar to comply with its obligations under this Agreement.
- 4.8 Where one or more Regulation S Covered Bonds in definitive form is/are to be issued, the Fiscal Agent (in the case of Registered Definitive Covered Bonds or Bearer Definitive Covered Bonds) and the Registrar (in the case of Registered Definitive Covered Bonds) is authorised and instructed by the Issuer to authenticate the applicable number of Definitive Covered Bonds in accordance with the provisions of Clause 3.5 and the terms of this Agreement shall apply, *mutatis mutandis*, to any such Regulation S Covered Bonds.

5. Determination of End of Distribution Compliance Period

In the case of a Tranche that includes Regulation S Covered Bonds:

- 5.1 In the case of a Tranche in respect of which there is: (a) only one Dealer, the Fiscal Agent will determine the end of the Distribution Compliance Period in respect of the Tranche as being the fortieth day following the date determined and certified by the relevant Dealer to the Fiscal Agent as being the date on which distribution of the Covered Bonds of that Tranche was completed, or (b) no Dealer(s) but one or more Regulation S Direct Investor(s), the end of the Distribution Compliance Period in respect of such Tranche shall be the fortieth day following the Issue Date of the Covered Bonds of that Tranche.
- 5.2 In the case of a Tranche in respect of which there is more than one Dealer but which is not issued on a syndicated basis, the Fiscal Agent will determine the end of the Distribution Compliance Period in respect of the Tranche as being the fortieth day following the last of the dates determined and certified by all the relevant Dealers to the Fiscal Agent as being the respective dates on which distribution of the Covered Bonds of that Tranche purchased by each Dealer was completed.
- 5.3 In the case of a Tranche in respect of which there is more than one Dealer and which is issued on a syndicated basis, the Fiscal Agent will determine the end of the Distribution Compliance Period in respect of the Tranche as being the fortieth day following the date determined and certified by the relevant Lead Manager to the Fiscal Agent as being the date on which distribution of the Covered Bonds of that Tranche was completed.
- 5.4 Save with respect to Clause 5.1(b), as promptly as practicable after it determines the end of the Distribution Compliance Period in respect of any Tranche, the Fiscal Agent shall notify the determination to the Issuer, Euroclear, Clearstream, Luxembourg or other applicable Clearing System(s) and the relevant Dealer(s) (in the case of a non-syndicated issue) or Lead Manager (in the case of a syndicated issue), as the case may be.

6. Terms of Issue

- 6.1 Each of the Fiscal Agent and the Registrar shall cause all Covered Bonds delivered to and held by it under this Agreement to be maintained in safe custody and shall ensure that

Covered Bonds are issued only in accordance with the provisions of this Agreement, the Conditions and, where applicable, the relevant Global Covered Bonds.

- 6.2 Subject to the procedures set out in the Procedures Memorandum, for the purposes of Clause 3 (*Issue of Global Covered Bonds*), each of the Fiscal Agent and the Registrar is entitled to treat an e-mail, telephone or facsimile communication from a person purporting to be (and whom the Fiscal Agent or the Registrar, as the case may be, believes in good faith to be) the authorised representative of the Issuer named in the list referred to in, or notified pursuant to, Clause 23.9, or any other list duly provided for the purpose by the Issuer to the Fiscal Agent or the Registrar, as the case may be, as sufficient instructions and authority of the Issuer for the Fiscal Agent or the Registrar to act in accordance with Clause 3 (*Issue of Global Covered Bonds*).
- 6.3 In the event that a person who has signed a master Global Covered Bond or master Registered Definitive Covered Bond held by the Fiscal Agent or the Registrar, as the case may be, on behalf of the Issuer ceases to be authorised as described in Clause 23.9, each of the Fiscal Agent and the Registrar shall (unless the Issuer gives notice to the Fiscal Agent or the Registrar, as the case may be, that Covered Bonds signed by that person do not constitute valid and binding obligations of the Issuer or otherwise until replacements have been provided to the Fiscal Agent or the Registrar, as the case may be) continue to have authority to authenticate, (if applicable) effectuate and deliver Covered Bonds signed by that person, and the Issuer warrants to each of the Fiscal Agent and the Registrar that those Covered Bonds shall be valid and binding obligations of the Issuer. Promptly upon any person ceasing to be so authorised, the Issuer shall provide the Fiscal Agent with replacement master Temporary Bearer Global Covered Bonds and Permanent Bearer Global Covered Bonds and shall provide the Registrar with replacement master Registered Global Covered Bonds and Registered Definitive Covered Bonds and the Fiscal Agent and the Registrar, as the case may be, shall, upon receipt of such replacements, cancel and destroy the master Global Covered Bonds and master Registered Definitive Covered Bonds held by them which are signed by that person and shall provide the Issuer with a certificate of destruction, specifying the master Global Covered Bonds and Registered Definitive Covered Bonds so cancelled and destroyed.
- 6.4 The Fiscal Agent shall provide Euroclear and/or Clearstream, Luxembourg with the notifications, instructions or information to be given by the Fiscal Agent under the Transaction Documents to Euroclear and/or Clearstream, Luxembourg and the Registrar shall provide DTC with the notifications, instructions or information to be given by the Registrar to DTC.
- 6.5 If the Fiscal Agent pays an amount (the “**Advance**”) to the Issuer on the basis that a payment (the “**Payment**”) has been or will be received by the Fiscal Agent from a Dealer or a Direct Investor (as the case may be) for the benefit of the Issuer and if the Payment is not received by the Fiscal Agent on the date the Fiscal Agent pays the Issuer, then the Issuer shall repay to the Fiscal Agent the Advance (or the unreimbursed portion thereof) and shall pay interest on the Advance (or the unreimbursed portion thereof) from (and including) the date the Advance is made to (but excluding) the earlier of repayment of the Advance or receipt by the Fiscal Agent of the Payment at a rate quoted at that time by the Fiscal Agent as its cost of funding the Advance; *provided that* (a) evidence of the basis of such rate is given to the Issuer; (b) no interest shall be payable by the Issuer if the Advance is repaid by the Issuer on the same day the Advance is made (“**Intraday Funding**”) and (c) the Fiscal Agent may in its sole discretion, but is not obliged to, provide Intraday Funding. For the avoidance of doubt, the Fiscal Agent shall not be obliged to pay any amount to the Issuer if it has not received satisfactory confirmation that it is to receive the amount from a Dealer or a Direct Investor (as the case may be).
- 6.6 Except in the case of issues where the Fiscal Agent does not act as receiving bank for the Issuer in respect of the purchase price of the Covered Bonds being issued, if on the relevant

Issue Date a Dealer or a Direct Investor (as the case may be) does not pay the full purchase price due from it in respect of any Covered Bond (the “**Defaulted Covered Bond**”) and, as a result, the Defaulted Covered Bond remains in the Fiscal Agent’s distribution account with Euroclear, Clearstream, Luxembourg and/or DTC after such Issue Date, the Fiscal Agent will continue to hold the Defaulted Covered Bond to the order of the Issuer. The Fiscal Agent shall notify the Issuer and (where applicable) the Registrar immediately of the failure of such Dealer or Direct Investor to pay the full purchase price due from it in respect of any Defaulted Covered Bond and, subsequently, shall: (i) notify the Issuer as promptly as practicable on receipt from such Dealer or Direct Investor of the purchase price in respect of any Defaulted Covered Bond and (ii) pay to the Issuer the amount so received as promptly as practicable after such receipt.

7. Payments

- 7.1 In respect of any Covered Bonds, the Issuer shall, by no later than 11:00 a.m. (local time in the relevant financial centre of the payment or, in the case of a payment in euro, London time), on each date on which any payment in respect of any Covered Bond becomes due under the Conditions, transfer to an account specified by the Fiscal Agent an amount in the relevant currency (in same day, freely transferrable funds) sufficient for the purposes of the payment in funds settled through such payment system as the Fiscal Agent and the Issuer may agree.
- 7.2 If on the Relevant Payment Date the Fiscal Agent receives cleared funds from the Issuer after the time for receipt of such cleared funds as specified in Clause 7.1 above, the Fiscal Agent shall use reasonable efforts to pay the funds as soon as reasonably practicable thereafter.
- 7.3 Any funds paid by or by arrangement with the Issuer to the Fiscal Agent under Clause 7.1 shall be held in the relevant account referred to in Clause 7.1 for payment to the Exchange Agent and the Covered Bondholders, Receiptholders or Couponholders, as the case may be, and applied for such purpose unless no claim for payment is made in which case such funds shall be held in the relevant account referred to in Clause 7.1 for payment to the Exchange Agent and the Covered Bondholders, Receiptholders or Couponholders, as the case may be, until any Covered Bonds or matured Receipts and Coupons become void under Condition 8 (*Prescription*). In that event, the Fiscal Agent shall repay to the Issuer sums equivalent to the amounts which would otherwise have been payable on the relevant Covered Bonds, Receipts or Coupons or (as the case may be) to the Exchange Agent.
- 7.4 In respect of any Covered Bonds, the Issuer will ensure that no later than 10:00 a.m. (local time in the relevant financial centre of the payment or, in the case of a payment in euro, London time) on the second Business Day (as defined below) immediately preceding the date on which any payment is to be made to the Fiscal Agent under Clause 7.1, the bank (which may be the Issuer itself) effecting payment to the Fiscal Agent confirms by authenticated SWIFT or similar message to the Fiscal Agent the payment instructions relating to such payment, which SWIFT message the Issuer agrees it shall not revoke. For the purposes of this Clause 7.4, “**Business Day**” means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business in Istanbul and London.
- 7.5 The Fiscal Agent shall notify the Issuer and each of the other Paying Agents and the Registrar as promptly as practicable:
- (a) if it has not by the relevant date and time set out in Clause 7.1 received unconditionally the full amount in the Specified Currency required for a payment; and
 - (b) if it receives unconditionally the full amount of any sum payable in respect of the Covered Bonds, Receipts or Coupons after that date and time.

The Fiscal Agent shall, at the expense of the Issuer, immediately on receiving any amount as described in (b) above, cause notice of that receipt to be published under Condition 14 (*Notices*).

- 7.6 The Fiscal Agent shall ensure that payments of principal, interest (if any) and any other amount payable in respect of a Temporary Bearer Global Covered Bond due prior to the applicable Exchange Date will be made (as required by the Conditions, against presentation of such Temporary Bearer Global Covered Bond if such Temporary Bearer Global Covered Bond is not issued in NGCB form) only to the extent that certification to the effect that the beneficial owners of interests in the Temporary Bearer Global Covered Bond are not U.S. persons or Persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received from Euroclear and/or Clearstream, Luxembourg, as applicable, in accordance with the terms of the Temporary Bearer Global Covered Bond.
- 7.7 Unless it has received notice under Clause 7.5(a), each Paying Agent shall pay or cause to be paid all amounts due in respect of the Covered Bonds on behalf of the Issuer in the manner provided in the Conditions. If any payment provided for in Clause 7.1 is made late but otherwise in accordance with the provisions of this Agreement, the relevant Paying Agent shall nevertheless make payments in respect of the Covered Bonds as stated above following receipt by it of such payment. For the avoidance of doubt, the Paying Agents shall not have any obligation to make any payment of principal or interest in respect of the Covered Bonds to the Covered Bondholders until the Paying Agent has been put in cleared funds in the relevant currency by the Issuer (or by the Exchange Agent pursuant to Clause 7.13 or the Fiscal Agent) and has been able to identify or confirm receipt of those funds.
- 7.8 If for any reason the Fiscal Agent considers in its sole discretion that the amounts to be received by it under Clause 7.1 and/or Clause 7.16, as the case may be, will be, or the amounts actually received by it are, insufficient to satisfy all claims in respect of all payments then falling due in respect of the Covered Bonds, the Fiscal Agent shall notify the Paying Agents of the same and no Paying Agent shall be obliged to pay any such claims until the Fiscal Agent has received the full amount of all such payments.
- 7.9 Without prejudice to Clauses 7.7 and 7.8, if the Fiscal Agent pays any amounts to the holders of Covered Bonds, Receipts or Coupons or to any other Paying Agent at a time when it has not received payment in full in respect of the relevant Covered Bonds in accordance with Clause 7.1 and/or Clause 7.16, as the case may be (the excess of the amounts so paid over the amounts so received being the “**Shortfall**”), the Issuer will, in addition to paying amounts due under Clause 7.1, pay to the Fiscal Agent on demand interest (at a rate which represents the Fiscal Agent’s cost of funding the Shortfall; *provided that*: (a) documented evidence of such cost is delivered to the Issuer) on the Shortfall (or the unreimbursed portion thereof) from the date of such payment by the Fiscal Agent until (but excluding) the date of the receipt in full by the Fiscal Agent of the Shortfall; (b) no such interest shall be payable by the Issuer if the Shortfall is repaid by the Issuer on the same day as such payments by the Fiscal Agent referred to in this Clause 7.9 are made; and (c) the Fiscal Agent may, in its sole discretion, but is not obliged to, provide such Shortfall funding.
- 7.10 For the purposes of this Agreement, payment will not be “final” until the Fiscal Agent has received immediately available funds which, under Applicable Laws and applicable customs or practices, are not reversible and not subject to any security interest, levy or other encumbrance that may be specifically applicable to such transaction.
- 7.11 The Fiscal Agent shall on demand promptly reimburse each other Paying Agent for payments in respect of Covered Bonds properly made by each Paying Agent in accordance with this Agreement and the Conditions unless the Fiscal Agent has notified the relevant Paying Agent, prior to its opening of business on the due date of a payment in respect of the Covered Bonds,

that the Fiscal Agent does not expect to receive sufficient funds to make payment of all amounts falling due in respect of the Covered Bonds.

- 7.12 (a) The Agents shall be entitled to deduct FATCA Withholding Tax from any payment they make under the Transaction Documents, and shall have no obligation to gross-up any payment or to pay any additional amount as a result of such FATCA Withholding Tax. The Issuer agrees to hold harmless each Agent for any Liability such Agent may suffer due to the actions such Agent takes to comply with FATCA in connection with the Transaction Documents save for any Liability arising from the negligence, wilful misconduct or wilful default of such Agent.
- (b) In the event that: (i) the Issuer is or becomes a Participating FFI and (ii) Covered Bonds are issued or amended (or any terms of the Covered Bonds that were issued on or before the Grandfathering Date are waived) after the Grandfathering Date (save in the case of an amendment or waiver in respect of which an opinion or certificate is provided pursuant to clause (c) below that such amendment or waiver will not constitute a Material Modification), the Issuer will notify the Agents as soon as is practicable of: (A) the fact that the Issuer is or has become a Participating FFI and (B) any other information known to the Issuer and pertaining to the Issuer necessary for the Agents to determine the amount, if any, they are required to withhold or deduct in respect of any FATCA Withholding Tax in relation to any payment under the Covered Bonds.
- (c) In the event that: (i) the Issuer is or becomes a Participating FFI and (ii) any terms of any outstanding Covered Bonds that were issued on or before the Grandfathering Date are amended or waived after the Grandfathering Date, the Issuer will, as soon as is practicable, either: (A) provide the Agents either: (1) an opinion of independent tax counsel that such amendment or waiver will not constitute a Material Modification of the applicable Covered Bonds or (2) a certificate signed by two authorised signatories of the Issuer certifying that in the opinion of the Issuer such amendment or waiver will not constitute a Material Modification of the applicable Covered Bonds, or (B) notify the Agents that the Issuer intends to treat the Covered Bonds as having undergone a Material Modification and provide the Agents with the effective date of such Material Modification.
- (d) Each Agent undertakes that in the event that it fails to become by any applicable due date (or, on or after such due date, ceases to be) a Person to whom payments may be made free from FATCA Withholding Tax, it shall promptly inform the Issuer that it is subject to FATCA Withholding Tax. In the event that: (i) the Issuer is or becomes a Participating FFI, (ii) Covered Bonds are issued or amended (or any terms of Covered Bonds that were issued on or before the Grandfathering Date are waived) after the Grandfathering Date (save, in the case of an amendment or waiver in respect of which an opinion or certificate is provided pursuant to clause (a) above that such amendment or waiver will not constitute a Material Modification) and (iii) the Issuer determines in its sole discretion that FATCA Withholding Tax will be required in connection with any payment due to an Agent on any Covered Bonds, then the Issuer will be entitled to redirect or reorganise any such payment in any way that it sees fit in order that the payment may be made without FATCA Withholding Tax; *provided* that any such redirected or reorganised payment is made through a recognised institution of international standing and otherwise made in accordance with this Agreement and the Conditions. The Issuer will promptly notify the Agents and the applicable Covered Bondholders of any such redirection or reorganisation.
- (e) At the request of the Issuer, the Agents shall: (i) request from Covered Bondholders, Couponholders, Receiptholders and any other applicable payee such documentation reasonably requested by the Issuer, including information and/or properly completed

and signed tax certifications, (collectively, the “**Tax Information**”) that the Issuer may request to meet its tax reporting requirements or other obligations (including relating to Tax Sharing Legislation, FATCA Withholding Tax and similar Applicable Laws), (ii) comply with all applicable withholding and reporting requirements of Applicable Law (including under the Code, including FATCA, and all Tax Sharing Laws) and (iii) promptly reasonably upon request but subject to domestic data privacy, bank secrecy and other Applicable Laws, provide to the Issuer any Tax Information: (A) received from Covered Bondholders, Couponholders, Receiptholders or other payees pursuant to sub-paragraph (i) above and/or (B) relating to itself.

7.13 The requirements set out in Clauses 7.11 and 7.12 shall survive any termination or discharge of this Agreement.

7.14 Whilst any Covered Bonds denominated in Turkish Lira are represented by a Global Covered Bond (other than a Global Covered Bond held through DTC) and any Paying Agent (in the case of a Bearer Covered Bond) or the Registrar (in the case of a Registered Covered Bond) receives notification on the day falling no more than 14 days and no less than five Business Days before a Relevant Payment Date for the next payment of interest and/or principal on such Covered Bond (such period, the “**USD Election Period**”) from any Covered Bondholders of their irrevocable election (each, a “**USD Payment Election**”) to receive such payment in U.S. dollars instead of Turkish Lira:

- (a) the relevant Paying Agent or the Registrar (as applicable) shall notify the Fiscal Agent on the Business Day following each USD Election Period of the USD Payment Elections made by the Covered Bondholders during such USD Election Period;
- (b) the Fiscal Agent shall: (i) notify the Exchange Agent of the proportion of such interest and/or principal in respect of such Global Covered Bond due on the Relevant Payment Date that is payable to Covered Bondholders who have given a USD Payment Election (the “**Lira Amount**”); and (ii) upon receipt of the Lira Amount from the Issuer and by no later than 11.00 a.m. (London time) on the Relevant Payment Date, transfer such Lira Amount to the Exchange Agent;
- (c) following receipt of the Lira Amount from the Fiscal Agent, the Exchange Agent shall: (i) provide for the Lira Amount to be converted into U.S. dollars in the manner provided in Condition 5.8(b) and then to be transferred to the Fiscal Agent for onward payment to the holders of the applicable Covered Bond on such Relevant Payment Date; and (ii) notify the Fiscal Agent of: (A) the total amount of U.S. dollars purchased with the relevant Lira Amount (the “**USD Amount**”) and (B) the Relevant Exchange Rate at which such U.S. dollars were purchased by the Exchange Agent; and
- (d) the Fiscal Agent shall, either itself or through the relevant Paying Agent, as early as practicable on or following the Relevant Payment Date, arrange for payment of the relevant amount: (i) (subject to receipt from the Exchange Agent) in U.S. dollars to be made to those Covered Bondholders that have validly made a USD Payment Election in respect of such Covered Bonds on such Relevant Payment Date (through the notification procedures of Euroclear and/or Clearstream, Luxembourg); and (ii) for all other Covered Bondholders of such Covered Bonds, in Turkish Lira, as applicable,

in each case, on a *pro rata* basis reflecting their relative interests in the applicable Global Covered Bond in accordance with the Conditions and such Global Covered Bond and through the facilities of Euroclear and/or Clearstream, Luxembourg and in accordance with the payment instructions received by the Fiscal Agent from Euroclear or Clearstream, Luxembourg or their respective nominee and all as more fully described and in accordance with the Conditions and the relevant Global Covered Bond.

If the Fiscal Agent receives cleared funds from the Issuer in respect of Turkish Lira-denominated Covered Bonds held other than through DTC after the time noted in clause (b) above, then the Fiscal Agent shall transfer the Lira Amount to the Exchange Agent for conversion into U.S. dollars as soon as reasonably practicable and, following such conversion, the Exchange Agent shall transfer such U.S. dollar amounts to the Fiscal Agent and the Fiscal Agent shall use reasonable efforts to pay any U.S. dollar amounts that Covered Bondholders have elected to receive in respect of such funds as soon as reasonably practicable thereafter.

The parties hereto hereby acknowledge and agree to the provisions of Condition 5.8, including clauses (c), (e), (f), (g) and (h) thereof.

The parties hereto hereby acknowledge and agree that, if it is not practicable for the Fiscal Agent, either itself or through the relevant Paying Agent, to make payment of the relevant amount on the Relevant Payment Date: (i) then such relevant amount shall be paid as soon as practicable on a Business Day following such Relevant Payment Date and (ii) no additional interest shall be payable in respect of such deferred payment and such deferred payment shall not constitute an Issuer Event or an Event of Default.

7.15 Whilst Covered Bonds denominated in Turkish Lira are in definitive form and the Fiscal Agent receives notification on a London Business Day during the USD Election Period prior to a Relevant Payment Date for the next payment of interest and/or principal from any Covered Bondholders holding such Definitive Covered Bonds of a USD Payment Election to receive such payment in U.S. dollars in respect of such Covered Bonds on such Relevant Payment Date:

- (a) the Fiscal Agent shall calculate the Lira Amount on the London Business Day following each USD Election Period of the USD Payment Elections made by the Covered Bondholders during such USD Election Period;
- (b) the Fiscal Agent shall: (i) notify the Exchange Agent of the Lira Amount to be paid by the Issuer in respect of the Covered Bonds the subject of such USD Payment Elections and (ii) upon receipt of the Lira Amount from the Issuer and by no later than 11.00 a.m. (London time) on the Relevant Payment Date, transfer such Lira Amount to the Exchange Agent;
- (c) the Exchange Agent shall, on or prior to the Relevant Payment Date, and before its internal cut-off time, purchase U.S. dollars with the Lira Amount for settlement on the Relevant Payment Date at the Relevant Exchange Rate and shall: (i) promptly transfer such U.S. dollar amount to the Fiscal Agent and (ii) notify the Fiscal Agent of: (A) the total amount of U.S. dollars purchased with the relevant Lira Amount and (B) the Relevant Exchange Rate at which such U.S. dollars were purchased by the Exchange Agent; and
- (d) the Fiscal Agent shall, either itself or through the relevant Paying Agent, as early as practicable on or following the Relevant Payment Date, arrange for payment of the relevant amount: (i)(A) (subject to receipt from the Exchange Agent) in U.S. dollars to be made to those Covered Bondholders that have validly made a USD Payment Election in respect of such Covered Bonds on such Relevant Payment Date to the registered U.S. dollar account as has been notified by each such Covered Bondholder and (B) for all other Covered Bondholders of such Covered Bonds, in Turkish Lira, as applicable, to be made to the registered Turkish Lira account as has been notified by each such Covered Bondholder reflecting their interest in the relevant definitive Covered Bond (or by Turkish Lira cheque if it does not have a registered Turkish Lira account), or (ii) in the event that the Exchange Agent is unable to exchange the relevant Lira Amount into U.S. dollars, for all relevant Covered Bondholders of such Covered Bonds, in Turkish Lira, as applicable, to be made to the registered Turkish

Lira account as has been notified by each such Covered Bondholder reflecting their interest in the relevant definitive Covered Bond (or by Turkish Lira cheque if it does not have a registered Turkish Lira account),

in each case, all as more fully described and in accordance with the Conditions and the relevant definitive Covered Bond. In no event shall any Agent be liable to any Covered Bondholder, the Issuer or any third party for the Relevant Exchange Rate so used in clause (c) above.

The parties hereto hereby acknowledge and agree that, as noted in Condition 5.8(c), the Issuer's obligation to make payments on Covered Bonds the Specified Currency of which is Turkish Lira is limited to the specified Turkish Lira amount of such payments and, in the event that it fails to make any payment on the Covered Bonds in full on its due date, its obligation shall remain the payment of the relevant outstanding Turkish Lira amount and it shall have no obligation to pay any greater or other amount as a result of any change in the Relevant Exchange Rate between the due date and the date on which such payment is made in full.

The parties hereto hereby acknowledge and agree that, as noted in Condition 5.8(d), if, for illegality or any other reason, it is not possible for the Exchange Agent to purchase U.S. dollars with the Lira Amount, then the Exchange Agent will promptly notify the Fiscal Agent, which shall, as soon as practicable upon receipt of such notification from the Exchange Agent, notify the Covered Bondholders of such event in accordance with Condition 14 (*Notices*) and all payments on the Covered Bonds on the Relevant Payment Date will be made in Turkish Lira in accordance with Condition 5 irrespective of any USD Payment Election made.

The parties hereto hereby acknowledge and agree that, as noted in Condition 5.8(d), if it is not practicable for the Fiscal Agent, either itself or through the relevant Paying Agent, to make payment of the relevant amount on the Relevant Payment Date, such relevant amount shall be paid as soon as practicable on a Business Day following such Relevant Payment Date. No additional interest shall be payable in respect of such deferred payment and such deferred payment shall not constitute an Issuer Event or an Event of Default.

7.16 On each Relevant Payment Date relating to payments described in Clauses 7.14 and 7.15, the Fiscal Agent shall give due notice to the applicable Covered Bondholders in accordance with Condition 14 (*Notices*) of:

- (a) the total amount of U.S. dollars purchased with the relevant Lira Amount; and
- (b) the Relevant Exchange Rate at which such U.S. dollars were converted by the Exchange Agent,

following, in each case, receipt of such information from the Exchange Agent.

7.17 With respect to payments described in Clauses 7.14, 7.15 and 7.23, the Fiscal Agent may rely conclusively on the basis on which the Relevant Exchange Rate has been determined and shall not be liable for any losses associated with the basis for determination of such Relevant Exchange Rate and/or the calculation by it of the Lira Amount (having correctly applied the Relevant Exchange Rate).

7.18 Each Agent shall be entitled to rely, without further investigation or enquiry, on any notification or irrevocable instructions or calculations received by it pursuant to this Agreement and in accordance with the Conditions and which it reasonably believes to be genuine and to have been delivered by the proper party and shall not be liable to any party for any losses whatsoever resulting from acting in accordance with any such notification or irrevocable instruction even though, subsequent to its acting, it may be found that there was

some defect in the notification or irrevocable instruction or the notification or irrevocable instruction was not authentic or there was an error in such calculations.

- 7.19 Any foreign exchange transaction effected by the Exchange Agent will generally be a transaction to buy or sell currency between: (a) on the one part, the Issuer (acting through the Fiscal Agent, as an agent of the Issuer), and (b) on the other part, either the Exchange Agent or any of its affiliates acting as principal for its own account. Under no circumstances does the Exchange Agent or any of its affiliates acting as principal for its own account (including any sub-custodians, any of whom may effect foreign exchange transactions on its behalf) serve as an agent, fiduciary, or broker of the Issuer with respect to such transactions.
- 7.20 Whilst any Covered Bonds are represented by Global Covered Bonds, all payments due in respect of such Covered Bonds shall be made to, or to the order of, the holder of such Global Covered Bonds, subject to and in accordance with the provisions of such Global Covered Bonds. On the occasion of each such payment: (a) in the case of a Bearer Global Covered Bond which is a CGCB, the Paying Agent to which such Bearer Global Covered Bond was presented for the purpose of making the payment shall cause the appropriate Schedule to the relevant Bearer Global Covered Bond to be annotated so as to evidence the amounts and dates of the payments of principal and/or interest, as applicable, or (b) in the case of any Bearer Global Covered Bond which is a NGCB or any Registered Global Covered Bond which is held under the NSS, the Fiscal Agent shall instruct Euroclear and Clearstream, Luxembourg to make appropriate entries in their records to reflect such payment.
- 7.21 The Fiscal Agent shall pay to the Exchange Agent, and the Exchange Agent shall receive, all payments made by (or on behalf of) the Issuer under any Registered Global Covered Bond registered in the name of DTC or its nominee (a “**DTC Covered Bond**”) which is denominated in a Specified Currency other than U.S. dollars. The Exchange Agent shall, in accordance with normal DTC practice, be advised in writing, on or before the relevant Record Date, by DTC or its nominee:
- (a) if any beneficial holder (a “**Beneficial Holder**”) of a DTC Covered Bond that is denominated in a Specified Currency other than U.S. dollars in respect of which payment is due has elected to receive the payment in such Specified Currency and, if so, the amount of the payment (expressed in the Specified Currency in which the relevant DTC Covered Bond is denominated) which the Beneficial Holder wishes to receive in such Specified Currency; and
 - (b) of the payment details for the DTC participant for each Beneficial Holder in such DTC Covered Bond that has made such an election.
- 7.22 In respect of DTC Covered Bonds that are denominated in a Specified Currency other than U.S. dollars, the Exchange Agent shall, subject to receipt of funds in accordance with Clause 7.21 on or prior to the Relevant Payment Date, and before its internal cut-off time, purchase U.S. dollars with an amount of the relevant Specified Currency equal to the aggregate amount which DTC has notified the Exchange Agent that Beneficial Holders wish to receive in U.S. dollars and at a purchase price calculated on the basis of the Relevant Exchange Rate. In the event that no notification is received from DTC before the Record Date, the Exchange Agent shall enter into a contract for the purchase of U.S. dollars in respect of the full amount of the payment due in respect of the relevant DTC Covered Bond. In respect of such DTC Covered Bonds, the Exchange Agent shall, on the Relevant Payment Date:
- (a) pay all amounts converted into U.S. dollars as stated above to DTC or its nominee for distribution to the relevant Beneficial Holders; and

- (b) pay all the other amounts due which are denominated otherwise than in U.S. dollars directly to the relevant Beneficial Holders in accordance with the payment instructions received from DTC or its nominee.

The parties hereto hereby acknowledge and agree that, as described in Condition 5.8, in no event shall any Agent be liable to any Covered Bondholder, the Issuer or any third party for the Relevant Exchange Rate so used.

In the event that the Exchange Agent is unable to convert the relevant Specified Currency into U.S. dollars, the entire payment will be made in the relevant Specified Currency in accordance with the payment instructions received from DTC following notification of that fact by the Exchange Agent to DTC.

Neither the Issuer nor any of the Agents will be liable for any delay or ultimate failure to pay the Covered Bondholders caused by any delay or failure of DTC (or any of its direct or indirect participants) to provide payment instructions on the relevant Specified Currency.

- 7.23 If the amount of principal and/or interest then due for payment is not paid in full (otherwise than by reason of a deduction required by law to be made or a certification required by the terms of a Covered Bond not being received): (a) the Paying Agent to which a Bearer Covered Bond, Receipt or Coupon (as the case may be) is presented for the purpose of making the payment shall, unless such Covered Bond is a NGCB, make a record of the shortfall on the relevant Bearer Covered Bond, Receipt or Coupon or, in the case of payments of interest on Registered Covered Bonds, the Registrar shall make a record in the Register, and each such record of the Paying Agent or the Registrar shall, in the absence of manifest error, be *prima facie* evidence that the payment in question has not to that extent been made, or (b) in the case of any Bearer Global Covered Bond which is a NGCB, the Fiscal Agent shall instruct Euroclear and Clearstream, Luxembourg to make appropriate entries in their records to reflect such shortfall in payment. In addition, in the case of any Registered Global Covered Bond which is held under the NSS, the Registrar or the Fiscal Agent shall also instruct Euroclear and Clearstream, Luxembourg to make appropriate entries in their records to reflect such shortfall in payment.
- 7.24 The Covered Bonds will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) or Direct Investor(s), as the case may be, and set out in the applicable Final Terms, except that, in the circumstances set out in the Programme Agreement, the minimum denomination of each Covered Bond will be at least €100,000 (or its equivalent in any other Specified Currency as of the applicable Issue Date) or such other amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any Applicable Laws applicable to the relevant Specified Currency and Covered Bonds. Notwithstanding the above, and unless set forth in the applicable Final Terms otherwise, IAI Definitive Covered Bonds and beneficial interests in IAI Global Covered Bonds will be issued only in minimum denominations of US\$500,000 and integral multiples of US\$1,000 in excess thereof (or its approximate equivalent in the applicable Specified Currencies at the applicable Issue Date).
- 7.25 Any payments under the Transaction Documents made by the Issuer shall, except to the extent provided otherwise in the Covered Bonds Communiqué and in the Transaction Security Documents, be applied in the manner determined by the Issuer.
- 7.26 None of the Issuer, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Covered Bonds or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

8. Determinations and Notifications in respect of Covered Bonds and Interest Determination

8.1 Determinations by the Exchange Agent and reliance by other Agents

In respect of any currency conversions by the Exchange Agent made pursuant to this Agreement or the Conditions:

- (a) the Exchange Agent will not be required to purchase U.S. dollars unless sufficient funds have been received from (or on behalf of) the Issuer pursuant to this Agreement and none of the Agents will be liable for any costs, interest, claims in relation to any late payment made by the Issuer and any such claims, interest and costs shall be passed onto the Issuer; and
- (b) the other Agents may rely conclusively on the basis on which the Relevant Exchange Rate has been determined and shall not be liable for losses associated with the basis for determination of such Relevant Exchange Rate.

8.2 Determinations and Notifications

- (a) The Fiscal Agent shall, unless otherwise specified in the applicable Final Terms, make all the determinations and calculations which it is required to make under the Conditions, all subject to and in accordance with the Conditions.
- (b) The Fiscal Agent shall not be responsible to the Issuer or to any third party as a result of the Fiscal Agent having acted on any quotation given by any Reference Bank which quote subsequently may be found to be incorrect.
- (c) The Fiscal Agent shall promptly notify (and confirm in writing to) the Issuer, the other Paying Agents and (in respect of a Series of Covered Bonds listed on a Stock Exchange) the relevant Stock Exchange of each Rate of Interest, Interest Amount and Interest Payment Date for each Series and all other amounts, rates and dates which it is obliged to determine or calculate under the Conditions for such Series as soon as practicable after their determination and of any subsequent amendments to them under the Conditions.
- (d) The Fiscal Agent shall use its best endeavours to cause each Rate of Interest, Interest Amount and Interest Payment Date for each Series and all other amounts, rates and dates which it is obliged to determine or calculate under the Conditions for such Series to be published as required in accordance with the Conditions as soon as practicable after their determination or calculation.
- (e) If the Fiscal Agent does not at any time for any reason determine and/or calculate and/or publish the Rate of Interest, Interest Amount and/or Interest Payment Date in respect of any Interest Period or any other amount, rate or date as provided in this clause, it shall as promptly as practicable notify the Issuer and the other Paying Agents of that fact.

8.3 Interest Determination

- (a) **Other than for SONIA**
 - (i) Where “Screen Rate Determination” is specified in the applicable Final Terms for a Tranche as the manner in which the Rate of Interest for such Tranche is to be determined in respect of any Reference Rate and the Reference Rate specified in the applicable Final Terms is not the SONIA Reference Rate, the Rate of Interest for each Interest Period for such Tranche shall, subject as provided below, be either:

- (A) if there is only one quotation on the Relevant Screen Page, the offered quotation; or
- (B) in any other case, the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate *per annum*), for the Reference Rate(s) that appear(s) on the Relevant Screen Page (or such replacement page on that service that displays the information) as at the Specified Time in the Relevant Financial Centre on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Fiscal Agent or the Calculation Agent, as applicable. If five or more offered quotations are available on the Relevant Screen Page, then the highest (or, if there is more than one such highest quotation, then one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, then one only of such quotations) shall be disregarded by the Fiscal Agent or the Calculation Agent, as applicable, for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

- (ii) If the Relevant Screen Page is not available or if, in the case of Clause 8.3(a)(i)(A), no such offered quotation appears or if, in the case of Clause 8.3(a)(i)(B), fewer than three such offered quotations appear, in each case as at the Specified Time, then the Fiscal Agent shall request each of the Reference Banks to provide the Fiscal Agent with its offered quotation (expressed as a percentage rate *per annum*) for the Reference Rate at approximately the Specified Time in the Relevant Financial Centre on the Interest Determination Date in question. If two or more of the Reference Banks promptly so provide the Fiscal Agent with such offered quotations, then the Rate of Interest for the applicable Interest Period for the applicable Tranche shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Fiscal Agent.
- (iii) If on any Interest Determination Date one only or none of the Reference Banks provides the Fiscal Agent with an offered quotation as provided in the preceding paragraph, then the Rate of Interest for the relevant Interest Period for the applicable Tranche shall be the rate *per annum* which the Fiscal Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Fiscal Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR), the eurozone inter-bank market (if the Reference Rate is EURIBOR), the Turkish Lira inter-bank market (if the Reference Rate is TLREF or TRLIBOR) or the inter-bank market of the Relevant Financial Centre (if any other Reference Rate is used) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks promptly provide the Fiscal Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the

Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Fiscal Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR), the eurozone inter-bank market (if the Reference Rate is EURIBOR), the Turkish Lira inter-bank market (if the Reference Rate is TLREF or TRLIBOR) or the inter-bank market of the Relevant Financial Centre (if any other Reference Rate is used) plus or minus (as appropriate) the Margin (if any); *provided that* if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, then the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

- (iv) If the Reference Rate from time to time in respect of a Tranche of Floating Rate Covered Bonds is specified in the applicable Final Terms as being the SONIA Reference Rate or any Reference Rate other than LIBOR, EURIBOR, TLREF or TRLIBOR and/or the applicable Final Terms provide for the determination of the Rate of Interest other than as set out in this Agreement, then the Rate of Interest in respect of such Covered Bonds will be determined as provided in the applicable Final Terms.
- (v) Notwithstanding the other provisions of this Clause 8.3(a), where a Benchmark Event occurs in relation to an Original Reference Rate at any time when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Rate of Interest for each relevant future Interest Period(s) will be calculated in the manner set out in the Conditions. For these purposes, each of “Benchmark Event” and “Original Reference Rate” has the meaning given to it in Condition 4.8(g).

(b) **For SONIA**

- (i) Where “Screen Rate Determination” is specified in the applicable Final Terms for a Tranche as the manner in which the Rate of Interest for such Tranche is to be determined and the Reference Rate specified in the applicable Final Terms is the SONIA Reference Rate, then:
 - (A) the Rate of Interest for each Interest Accrual Period shall, subject as provided below, be Compounded Daily SONIA plus or minus (as indicated in the applicable Final Terms) the Margin;
 - (B) if, in respect of any London Banking Day in the relevant Observation Period, the applicable SONIA Reference Rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then the SONIA Reference Rate in respect of such London Banking Day shall be: (1) the Bank of England’s Bank Rate (the “**Bank Rate**”) prevailing at the close of business on such London Banking Day *plus* (2) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there are

more than one highest spread, then only one of those highest spreads) and the lowest spread (or, if there are more than one lowest spread, then only one of those lowest spreads);

- (C) notwithstanding clause (B) above, in the event the Bank of England publishes guidance as to: (1) how the SONIA Reference Rate is to be determined or (2) any rate that is to replace the SONIA Reference Rate, then the Calculation Agent shall, to the extent that is reasonably practicable and as set forth in a direction from the Issuer in writing, follow such guidance in order to determine SONIA for purposes of the Covered Bonds and for so long as the SONIA Reference Rate is not available or has not been published by the relevant authorised distributors;
- (D) if, on any Interest Determination Date, the Rate of Interest cannot be determined by reference to any of clauses (A) to (C) above, then the Rate of Interest for the relevant Interest Accrual Period shall be: (1) the Rate of Interest determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period) or (2) if there is no such preceding Interest Determination Date, the initial Rate of Interest that would have been applicable to such Covered Bonds for the first scheduled Interest Period had the Covered Bonds been in issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date (and applying the Margin and, if applicable, any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first scheduled Interest Period);
- (E) if the Covered Bonds become due and payable in accordance with Condition 10, then the final Rate of Interest shall be calculated for the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the date on which the Covered Bonds become so due and payable, and such Rate of Interest shall continue to apply to the Covered Bonds for so long as interest continues to accrue thereon as provided in Condition 4.7; and
- (F) capitalised terms used in this Clause 8.3(b) and not otherwise defined shall have the meanings given to such terms in Condition 4.2(b)(iii)(F).

9. Notice of any Withholding or Deduction

- 9.1 If the Issuer is, in respect of any payment, compelled to withhold or deduct any amount for or on account of taxes, duties, assessments or governmental charges as specifically contemplated under the Conditions, then it shall give notice of that fact to the Fiscal Agent and the Registrar as soon as it becomes aware of the requirement to make the withholding or deduction and

shall give to the Fiscal Agent and the Registrar such information as either of them shall require to enable such Agent to comply with the requirement.

- 9.2 If any Agent is, in respect of any payment of principal or interest in respect of the Covered Bonds, compelled to withhold or deduct any amount for or on account of any taxes, duties, assessments or governmental charges as specifically contemplated under the Conditions, other than arising under Clause 9.1 or by virtue of the relevant holder failing to satisfy any certification or other requirement in respect of its Covered Bonds in order to receive Additional Amounts under Condition 7 (*Taxation*), then it shall give notice of that fact to the Issuer and (unless such Agent is the Fiscal Agent) the Fiscal Agent as soon as it becomes aware of the compulsion to withhold or deduct.

10. Other Duties of the Registrar

- 10.1 The Registrar shall perform the duties set out in this Agreement and the Conditions and, in performing those duties, shall act in accordance with this Agreement and the Conditions.
- 10.2 The Registrar shall so long as any Registered Covered Bond is outstanding:
- (a) maintain at a specified office outside of the United Kingdom a register (the “**Register**”) of the holders of the Registered Covered Bonds, which Register shall show: (i) the Principal Amount Outstanding of Covered Bonds represented by, and the serial numbers of, each Registered Global Covered Bond, (ii) the Principal Amount Outstanding and the serial numbers of the Registered Definitive Covered Bonds, (iii) the dates of issue of all outstanding Registered Covered Bonds, (iv) all subsequent transfers and changes of ownership of outstanding Registered Covered Bonds (including Registered Definitive Covered Bonds), (v) the names and addresses of the holders of the outstanding Registered Covered Bonds and (vi) details of all redemptions, cancellations and replacements of Registered Covered Bonds, whether because of their purchase by the Issuer or any of its Subsidiaries or otherwise (subject, where appropriate, to the Registrar having been notified as provided in this Agreement);
 - (b) effect exchanges of interests between different Registered Global Covered Bonds of the same Series, and interests in Registered Global Covered Bonds for Registered Definitive Covered Bonds of the same Series and *vice versa*, in accordance with the Conditions and this Agreement, keep a record of all exchanges of Registered Covered Bonds and ensure that the Fiscal Agent is notified as promptly as practicable after any such exchange;
 - (c) make any necessary notations on Registered Global Covered Bonds following transfer or exchange of all or any portion of them;
 - (d) receive any document in relation to or affecting the title to any of the Registered Covered Bonds, including all forms of transfer, forms of exchange, probates, letters of administration and powers of attorney;
 - (e) if applicable, charge to the holder of a Registered Covered Bond presented for exchange or transfer: (i) the costs or expenses (if any) of delivering Registered Covered Bonds issued on exchange or transfer other than by regular uninsured mail and (ii) a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration and/or transfer of the Covered Bonds;
 - (f) maintain proper records of the details of all documents and certifications (including, but not limited to, certifications in the form of Schedule 6 (*Form of Transfer Certificate*) and letters in the form of Schedule 7 (*Form of IAI Investment Letter*))

received by itself or (subject to receipt of all necessary information from the other Transfer Agents) any other Transfer Agent;

- (g) prepare any lists of holders of the Registered Covered Bonds required by the Issuer or the Fiscal Agent or any Person authorised by either of them;
 - (h) subject to Applicable Laws, at all reasonable times during office hours make the Register available to the Issuer, the Fiscal Agent or any Person authorised by either of them or (with respect to the information relating to the applicable Series only) the holder of any Registered Covered Bond for inspection and for the taking of copies or extracts;
 - (i) comply with the reasonable requests of the Issuer with respect to the maintenance of the Register and give to the other Agents any information reasonably requested by them for the proper performance of their duties; and
 - (j) comply with the terms of any Transfer Certificate.
- 10.3 Notwithstanding anything to the contrary in this Agreement, in the event of a partial redemption of Covered Bonds under Condition 6 (*Redemption and Purchase*), the Registrar shall not be required, unless so directed by the Issuer: (a) to register the transfer of Registered Definitive Covered Bonds (or parts of Registered Definitive Covered Bonds) of the applicable Series or to effect exchanges of interests in Registered Global Covered Bonds for Registered Definitive Covered Bonds of the applicable Series or *vice versa* during the period beginning on the sixty-fifth day before the date of the partial redemption and ending on the day on which notice is given specifying the serial numbers of Covered Bonds called (in whole or in part) for redemption (both inclusive) or (b) to register the transfer of any Registered Covered Bond (or part of a Registered Covered Bond) called for partial redemption.
- 10.4 Registered Covered Bonds shall be dated:
- (a) in the case of a Registered Covered Bond issued on the Issue Date, the Issue Date;
 - (b) in the case of a Registered Definitive Covered Bond issued in exchange for an interest in a Registered Global Covered Bond, or upon transfer, with the date of registration in the Register of the exchange or transfer;
 - (c) in the case of a Registered Definitive Covered Bond issued to the transferor upon transfer in part of a Registered Covered Bond, with the same date as the date of the Registered Covered Bond transferred; or
 - (d) in the case of a Registered Definitive Covered Bond issued under Condition 11 (*Replacement of Covered Bonds, Receipts, Coupons and Talons*), with the same date as the date of the lost, stolen, mutilated, defaced or destroyed Registered Covered Bond in replacement of which it is issued.

11. Duties of the Transfer Agents

11.1 The Transfer Agents shall perform the duties set out in this Agreement and the Conditions and, in performing those duties, shall act in accordance with the Conditions and this Agreement.

11.2 Each Transfer Agent shall:

- (a) accept Registered Covered Bonds delivered to it, with the form of transfer on them duly executed, together with, as applicable, any Transfer Certificate and/or IAI Investment Letter for the transfer or exchange of all or part of the applicable

Registered Covered Bond in accordance with the Conditions, and shall, in each case, give to the Registrar all related relevant details requested by it;

- (b) keep a stock of the forms of Transfer Certificates and IAI Investment Letters and make such forms available on demand to holders of the Covered Bonds;
- (c) promptly, and in any event within three business days (being for this purpose a day other than Saturday and Sunday on which commercial banks are open for business in the city in which the specified office of the relevant Transfer Agent is located) of its receipt of such a request (or such longer period as may be required to comply with any applicable fiscal or other Applicable Laws): (i) upon receipt by it of Registered Definitive Covered Bonds for transfer (together with any certifications required by it, including, but not limited to, a Transfer Certificate and/or an IAI Investment Letter) or (ii) following the endorsement of a reduction in the Principal Amount Outstanding of a Registered Global Covered Bond for exchange into Registered Definitive Covered Bonds, authenticate (or procure the authentication of) and: (x) deliver, or procure the delivery of, at its specified office to the specified transferee or (y) if so requested by the specified transferee (and then at the risk of such transferee), send by uninsured mail, to such address as such transferee may request, a new Registered Definitive Covered Bond of a like aggregate Principal Amount Outstanding to the Registered Definitive Covered Bond (or the relevant part of the Registered Definitive Covered Bond) being transferred (and, in the case of the transfer of part only of a Registered Definitive Covered Bond, a new Registered Definitive Covered Bond in respect of the balance of the Registered Definitive Covered Bond not transferred shall be so authenticated and delivered or (if so requested by the transferor, and then at the risk of such transferor) sent by uninsured mail, to such transferor's address as set out in the Register, to the transferor;
- (d) if applicable, charge to the holder of a Registered Covered Bond presented for exchange or transfer: (i) the costs and expenses (if any) of delivering Registered Covered Bonds issued on exchange or transfer other than by regular uninsured mail and (ii) a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration and, in each case, account to the Registrar for those charges; and
- (e) at the request of any Paying Agent, deliver new Registered Covered Bonds to be issued on partial redemptions of a Registered Covered Bond.

11A. Transfer of Interests

Beneficial interests in a Registered Global Covered Bond may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold: (a) such interest in another Registered Global Covered Bond other than an IAI Global Covered Bond or (b) upon the delivery of an IAI Investment Letter, an IAI Covered Bond (including an interest in an IAI Global Covered Bond). IAI Definitive Covered Bonds may, subject to compliance with all applicable restrictions and if there is a Registered Global Covered Bond for the applicable Series, be transferred to a person who wishes to hold such Covered Bonds in the form of an interest in such Registered Global Covered Bond; *provided that* if such Registered Global Covered Bond is an IAI Global Covered Bond, such transferee shall have delivered of an IAI Investment Letter. No beneficial owner of an interest in a Registered Global Covered Bond will be able to transfer such interest except in accordance with the applicable procedures of DTC, Euroclear and Clearstream, Luxembourg, in each case to the extent applicable. The Covered Bonds are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions.

12. Regulations for Transfers of Registered Covered Bonds

Subject as provided below in this paragraph but not subject to the provisions of Clause 32 (*Amendments*), the Issuer may from time to time agree with the Fiscal Agent and the Registrar reasonable regulations to govern the transfer and registration of Registered Covered Bonds. Any such agreement is required to be documented and, if necessary, the regulations set out in Schedule 8 (*Register and Transfer of Covered Bonds*) shall be amended to reflect such agreement. The initial regulations, which shall apply until amended under this Agreement, are set out in Schedule 8 (*Register and Transfer of Registered Covered Bonds*). The Transfer Agents agree to comply with such regulations as amended from time to time.

13. Duties of the Agents in connection with Early Redemption

- 13.1 If the Issuer decides to redeem any Covered Bonds for the time being outstanding before their Final Maturity Date or Extended Final Maturity Date, as applicable, in accordance with the applicable Conditions, then the Issuer shall give notice of the decision to the Fiscal Agent and, in the case of redemption of Registered Covered Bonds, the Registrar stating the date on which such Covered Bonds are to be redeemed and the Principal Amount Outstanding of Covered Bonds to be redeemed not less than 7 days before the date on which the Issuer will give notice to the applicable Covered Bondholders in accordance with such Conditions of the redemption in order to enable the Fiscal Agent and, if applicable, the Registrar to carry out its duties in this Agreement and in such Conditions.
- 13.2 If some only of the Covered Bonds of a Series are to be redeemed, then the Fiscal Agent shall: (a) in the case of Definitive Covered Bonds, make the required drawing in accordance with the applicable Conditions but shall give the Issuer reasonable notice of the time and place proposed for the drawing, and the Issuer shall be entitled to send representatives to attend the drawing, and (b) in the case of Covered Bonds in global form, co-ordinate the selection of Covered Bonds to be redeemed with Euroclear, Clearstream, Luxembourg and/or DTC, all in accordance with the Conditions.
- 13.3 The Fiscal Agent shall publish the notice (delivered to it by the Issuer) required in connection with any redemption and shall, if applicable, at the same time also publish a separate list of the serial numbers of any Definitive Covered Bonds previously drawn and not presented for redemption. The redemption notice shall specify the date fixed for redemption, the redemption amount, the manner in which redemption will be effected and, in the case of a partial redemption of Definitive Covered Bonds, the serial numbers of the Definitive Covered Bonds to be redeemed. The notice will be published in accordance with the applicable Conditions. The Fiscal Agent will also notify the other Agents of any date fixed for redemption of any Covered Bonds.

14. Notice Provisions Applicable to Covered Bonds with an Extended Final Maturity Date

- 14.1 If so specified in the applicable Final Terms relating to a Series of Soft Bullet Covered Bonds, the Issuer's obligations under the relevant Covered Bonds to pay their Principal Amount Outstanding on the relevant Final Maturity Date may be deferred past that Final Maturity Date until the applicable Extended Final Maturity Date (as specified in the applicable Final Terms). Such deferral will occur automatically if the Issuer does not pay any amount representing the Final Redemption Amount in respect of the relevant Series of Soft Bullet Covered Bonds on their Final Maturity Date.
- 14.2 The Issuer shall confirm to the Covered Bondholders (in accordance with Condition 14 (*Notices*)), the Paying Agents, the Registrar (in the case of a Registered Covered Bond) and the Fiscal Agent as soon as reasonably practicable and in any event at least five London

Business Days prior to the Final Maturity Date of a Series of Soft Bullet Covered Bonds as to whether: (a) payment will be made of all or any part of the Final Redemption Amount of the applicable Series of Soft Bullet Covered Bonds in full on their Final Maturity Date, or (b) the obligation to pay all or part of the Final Redemption Amount of the applicable Series of Soft Bullet Covered Bonds on their Final Maturity Date is to be deferred until the applicable Extended Final Maturity Date (the “**Extension Notice**”).

- 14.3 Promptly following receipt by the Fiscal Agent of an Extension Notice with respect to a Series of Global Covered Bonds, and in any event not less than three London Business Days prior to the Final Maturity Date of such Series, the Fiscal Agent shall notify Euroclear, Clearstream, Luxembourg and/or DTC, as applicable, that: (a) payment will be made of only part or none of the Final Redemption Amount of such Series on their Final Maturity Date, and (b) the obligation to pay the remaining part of the Final Redemption Amount of such Series on its Final Maturity Date shall be deferred until the applicable Extended Final Maturity Date for such Series (with, as provided in the Transaction Documents, some or all of such amount being paid earlier from the Available Funds on each applicable Extended Series Payment Date).
- 14.4 A failure by the Issuer to provide an Extension Notice under this Clause 14 shall not affect the validity or effectiveness of any extension of the maturity of a Series of Soft Bullet Covered Bonds to the applicable Extended Final Maturity Date in accordance with Condition 6.9 (*Extension of Maturity up to Extended Final Maturity Date*) nor shall constitute an Issuer Event or Event of Default or give rise to any rights to any Secured Creditor.

15. Receipt and Publication of Notices

- 15.1 As promptly as practicable after it receives a demand or notice from any Covered Bondholder in accordance with the applicable Conditions, the Fiscal Agent shall forward a copy of such demand or notice to the Issuer.
- 15.2 On behalf of and at the request and expense of the Issuer, the Fiscal Agent shall cause to be published (or confirm that the Issuer has published) all notices required to be published by the Issuer in accordance with the Conditions of any Series.

16. Cancellation of Covered Bonds, Receipts, Coupons and Talons

- 16.1 All Covered Bonds that are redeemed, all Global Covered Bonds which are exchanged in full, all Registered Covered Bonds that have been transferred, all Receipts or Coupons that are paid and all Talons that are exchanged shall immediately be cancelled by the Paying Agent by which they are redeemed, exchanged, transferred or paid (together, in the case of Bearer Definitive Covered Bonds, with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption or cancellation). In addition, the Issuer or any of its Subsidiaries may, in accordance with Condition 6.8 (*Cancellation*), surrender to any Paying Agent or the Registrar any Covered Bonds, together (in the case of Bearer Definitive Covered Bonds) with all unmatured Receipts, Coupons or Talons (if any) relating to them or surrendered with them, and such Covered Bonds, Receipts, Coupons or Talons shall, to the extent that the Issuer indicates in writing the same to the relevant Paying Agent, be cancelled by the Paying Agent to which they are surrendered. Each of the Paying Agents shall give to the Fiscal Agent (and the Registrar in the case of Registered Covered Bonds) details of all payments made by it in respect of Covered Bonds, Receipts, Coupons and Talons referred to in this Clause 16.1 and shall deliver all cancelled Covered Bonds, Receipts, Coupons and Talons to the Fiscal Agent or as the Fiscal Agent may specify and cannot be reissued or resold.

- 16.2 The Fiscal Agent shall deliver to the Issuer as soon as reasonably practicable and in any event within 14 days after the date of each repayment, payment, cancellation or replacement of a Covered Bond, Receipt, Coupon or Talon, as the case may be, a certificate stating the following (as applicable):
- (a) the aggregate Principal Amount Outstanding of such Covered Bonds which have been redeemed (whether in whole or in part) and the aggregate amount paid in respect of each Covered Bond;
 - (b) the number of such Covered Bonds cancelled together (in the case of Bearer Definitive Covered Bonds) with details of all unmatured Receipts, Coupons or Talons attached to them or delivered with them;
 - (c) the aggregate amount paid in respect of interest on such redeemed and/or cancelled Covered Bonds;
 - (d) the total number by maturity date of Receipts, Coupons and Talons redeemed and/or cancelled; and
 - (e) the serial numbers of such redeemed and/or cancelled Covered Bonds.
- 16.3 The Fiscal Agent shall destroy all cancelled Covered Bonds, Receipts, Coupons and Talons and, immediately following their destruction, send to the Issuer a certificate stating the serial numbers of the Covered Bonds and the number by maturity date of Receipts, Coupons and Talons destroyed.
- 16.4 Without prejudice to the obligations of the Fiscal Agent under Clause 16.2, the Fiscal Agent shall keep a full and complete record of all Covered Bonds, Receipts, Coupons and Talons (other than serial numbers of Coupons) and of their payment (including redemption in full), purchase on behalf of the Issuer or any of its Subsidiaries and cancellation or replacement (as the case may be) and of all replacement Covered Bonds, Receipts, Coupons or Talons issued in substitution for mutilated, defaced, destroyed, lost or stolen Covered Bonds, Receipts, Coupons or Talons. The Fiscal Agent shall retain (in the case of Receipts, Coupons and Talons) until the expiry of ten years from the Relevant Date in respect of such Receipts and Coupons either all paid or exchanged Receipts, Coupons and Talons or a list of the serial numbers of Receipts, Coupons and Talons still remaining unpaid or unexchanged. The Fiscal Agent shall at all reasonable times make the record available to the Issuer and any Persons authorised by it for inspection and for the taking of copies of it or extracts from it.
- 16.5 The Fiscal Agent is authorised and instructed by the Issuer to: (a) in the case of any Bearer Global Covered Bond which is a CGCB, endorse or arrange for the endorsement of the relevant Bearer Global Covered Bond to reflect the reduction in the Principal Amount Outstanding represented by it by the amount so redeemed or purchased and cancelled, and (b) in the case of any Bearer Global Covered Bond which is a NGCB and in the case of any Registered Global Covered Bond which is held under the NSS, to instruct Euroclear and Clearstream, Luxembourg to make appropriate entries in their records to reflect such redemption or purchase and cancellation, as the case may be; *provided that*, in the case of a purchase and cancellation, the Issuer has notified the Fiscal Agent of the same in accordance with Clause 16.1.
- 16.6 The Fiscal Agent shall only be required to comply with its obligations under this Clause 16 in respect of Covered Bonds surrendered for cancellation following a purchase of the same by the Issuer or any of its Subsidiaries to the extent that it has been informed by the Issuer of such purchases and cancellations in accordance with Clause 16.1 above.

17. Issue of Replacement Covered Bonds, Receipts, Coupons and Talons

- 17.1 The Issuer will cause a sufficient quantity of additional forms of: (a) Bearer Covered Bonds, Receipts, Coupons and Talons to be available, upon request, to the Fiscal Agent at its specified office for the purpose of issuing replacement Bearer Covered Bonds, Receipts, Coupons and Talons as provided below and (b) Registered Covered Bonds, to be available, upon request, to the Registrar at its specified office for the purpose of issuing replacement Registered Covered Bonds as provided below. Should a Series of Bearer Covered Bonds be a Series of Soft Bullet Covered Bonds and the maturity of such Series is extended to the Extended Final Maturity Date, then the Issuer will cause sufficient quantity of additional Receipts, Coupons and Talons (as applicable) to be available with respect to such Series.
- 17.2 The Fiscal Agent and the Registrar will, subject to and in accordance with the Conditions and this Clause 17, cause to be delivered any replacement Covered Bonds, Receipts, Coupons and Talons in place of Covered Bonds, Receipts, Coupons and Talons which have been lost, stolen, mutilated, defaced or destroyed.
- 17.3 In the case of a mutilated or defaced Bearer Covered Bond, the Fiscal Agent shall ensure that (unless otherwise covered by such indemnity as the Issuer may reasonably require) any replacement Bearer Covered Bond will only have attached to it Receipts, Coupons and Talons corresponding to those (if any) attached to the mutilated or defaced Covered Bond which is presented for replacement.
- 17.4 The Fiscal Agent or the Registrar, as the case may be, shall obtain verification in the case of an allegedly lost, stolen or destroyed Covered Bond, Receipt, Coupon or Talon that such Covered Bond, Receipt, Coupon or Talon has not previously been redeemed, paid or exchanged, as the case may be. Neither the Fiscal Agent nor (with respect to Registered Covered Bonds) the Registrar shall issue any replacement Covered Bond, Receipt, Coupon or Talon unless and until the claimant shall have:
- (a) paid the costs and expenses incurred in connection with the issue;
 - (b) provided such evidence and indemnity and security as the Issuer, the Fiscal Agent and the Registrar may reasonably require; and
 - (c) in the case of any mutilated or defaced Covered Bond, Receipts, Coupon or Talon, surrendered it to the Fiscal Agent or (with respect Registered Covered Bonds) the Registrar.
- 17.5 The Fiscal Agent or (with respect Registered Covered Bonds) the Registrar shall cancel any mutilated or defaced Covered Bonds, Receipts, Coupons and Talons in respect of which replacement Covered Bonds, Receipts, Coupons and Talons have been issued under this Clause 17 and shall furnish the Issuer with a certificate stating the serial numbers of the Covered Bonds, Receipts, Coupons and Talons cancelled and, unless otherwise instructed by the Issuer in writing, shall destroy the cancelled Covered Bonds, Receipts, Coupons and Talons and give to the Issuer a destruction certificate containing the information specified in Clause 16.3.
- 17.6 The Fiscal Agent or (with respect Registered Covered Bonds) the Registrar shall, on issuing any replacement Covered Bond, Receipt, Coupon or Talon, immediately inform the Issuer and the other Agents of the serial number of the replacement Covered Bond, Receipt, Coupon or Talon issued and of the serial number of the Covered Bond, Receipt, Coupon or Talon in place of which the replacement Covered Bond, Receipt, Coupon or Talon has been issued. Whenever replacement Receipts, Coupons or Talons are issued, the Fiscal Agent or, as the case may be, the Registrar shall also notify the other Agents of the maturity dates of the lost, stolen, mutilated, defaced or destroyed Receipts, Coupons or Talons and of the replacement Receipts, Coupons or Talons issued.

- 17.7 The Fiscal Agent or (with respect Registered Covered Bonds) the Registrar shall keep a full and complete record of all replacement Covered Bonds, Receipts, Coupons and Talons issued and shall make the record available at all reasonable times to the Issuer and any Persons authorised by it for inspection and for the taking of copies of it or extracts from it.
- 17.8 Whenever any Bearer Covered Bond, Receipt, Coupon or Talon for which a replacement Bearer Covered Bond, Receipt, Coupon or Talon has been issued is presented to a Paying Agent for payment, the relevant Paying Agent shall as promptly as practicable send notice of that fact to the Issuer and the other Paying Agents and shall not be obligated to make any payment in respect of such Bearer Covered Bond, Receipt, Coupon or Talon.
- 17.9 The Paying Agents shall issue further Coupon sheets against surrender of Talons. A Talon so surrendered shall be cancelled by the relevant Paying Agent who (except where the Paying Agent is the Fiscal Agent) shall inform the Fiscal Agent of its serial number, of which the Fiscal Agent shall inform the other Paying Agents. Further Coupon sheets issued on surrender of a Talon shall carry the same serial number as the surrendered Talon.

18. Copies of Documents Available for Inspection

- 18.1 The executed Deed Poll shall be deposited with the Fiscal Agent and shall be held in safe custody by it on behalf of the Covered Bondholders, the Receiptholders and the Couponholders at its specified office for the time being until all the obligations of the Issuer under the Deed Poll have been discharged in full.
- 18.2 Each Paying Agent shall hold available for inspection at its specified office during normal business hours copies of all documents required to be so available by the Conditions of any Series of Covered Bonds. For these purposes, the Issuer shall provide the Paying Agents with sufficient copies of each of the relevant documents (or an electronic copy thereof).
- 18.3 The Issuer shall hold available for inspection at its registered office during normal business hours copies of the applicable Final Terms, the other Transaction Documents and other documents required to be so available by the Transaction Documents or the rules of any relevant Stock Exchange (or any other relevant authority).

19. Meetings of Covered Bondholders

- 19.1 The provisions of Schedule 3 (*Provisions of Meetings of Covered Bondholders*) shall apply to meetings of the Covered Bondholders and shall have effect in the same manner as if set out in this Agreement.
- 19.2 Without prejudice to Clause 19.1, each of the Paying Agents on the request of any holder of Bearer Covered Bonds shall issue voting certificates and block voting instructions in accordance with Schedule 3 (*Provisions of Meetings of Covered Bondholders*) and shall as promptly as practicable give notice to the Issuer in writing of any revocation or amendment of a block voting instruction. Each of the Paying Agents will keep a full and complete record of all voting certificates and block voting instructions issued by it and will, not less than 24 hours before the time appointed for holding a meeting or adjourned meeting, deposit at such place as the Fiscal Agent shall approve full particulars of all voting certificates and block voting instructions issued by it in respect of the meeting or adjourned meeting.

20. Commissions and Expenses

- 20.1 The Issuer agrees to pay to the Fiscal Agent such fees and commissions as the Issuer and the Fiscal Agent shall separately agree in writing in respect of the services of the Agents under this Agreement, together with duly documented and properly incurred out of pocket expenses

(including legal, printing, postage, fax, cable and advertising expenses) properly incurred by the Agents in connection with their services. The Issuer shall not be concerned with the apportionment of such fees among the Agents, which the Agents shall agree among themselves.

- 20.2 The Fiscal Agent will make payment of the fees and commissions due under this Agreement to the other Agents and will reimburse their expenses promptly after the receipt of the relevant moneys from the Issuer. The Issuer shall not be responsible for any payment or reimbursement by the Fiscal Agent to the other Agents.
- 20.3 If any Agent finds it expedient or necessary to undertake duties which such Agent determines to be outside the ordinary course of the performance by such Agent of its obligations hereunder, then such Agent shall be entitled to receive additional remuneration in respect of such duties at a rate to be agreed in advance with the Issuer and the Issuer undertakes to reimburse all reasonable and documented costs, charges, expenses and liabilities properly incurred in connection therewith. If such amounts are insufficient for such reimbursement, such Agent shall not be obliged to undertake such duties unless indemnified to its satisfaction.

21. Indemnity

- 21.1 The Issuer shall indemnify each Agent and its respective directors, officers, employees, agents, delegates and controlling Persons against all losses, liabilities, damages, claims, actions and demands and all duly documented and properly incurred costs, fees and expenses (including, but not limited to, all properly incurred costs, charges, fees and expenses paid or incurred in disputing or defending any of the foregoing, including reasonable legal fees and expenses and any value added tax thereon) (“Losses”) which any of them may incur, or which may be made against any of them, as a result of or in connection with the appointment of, or the exercise of the powers and duties by, such Agent under this Agreement and the other Transaction Documents to which it is a party, in each case excluding any liability for Losses arising from the negligence, wilful misconduct or wilful default of any such Person and subject to presentation of evidence of the Loss to be indemnified against; *provided* that such shall exclude any tax liabilities arising to an Agent or any other such Person by reference to its income or profits in respect of remuneration relating to the Transaction Documents.
- 21.2 Each Agent shall severally indemnify the Issuer against any claim, demand, action, liability damages, cost, loss or expense (including, without limitation, legal fees and any applicable value added tax) that the Issuer incurs as a result of the negligence, wilful misconduct or wilful default of such Agent or of its officers, directors, employees or agents.
- 21.3 The Issuer shall pay to the Agents an amount equal to any value added tax which may be payable in respect of the fees, expense indemnities and any additional remuneration in connection with their services under this Agreement.
- 21.4 Under no circumstances will the Agents or the Issuer be liable to any other party to this Agreement for any consequential loss (including loss of business, goodwill, opportunity or profit) or any special or punitive damages of any kind whatsoever, in each case howsoever caused or arising and whether or not foreseeable, even if advised of the possibility of such loss or damage and regardless of whether the claim for loss or damage is made in negligence, breach of contract, duty or otherwise. No Agent shall be liable for any loss caused by events beyond its control, including any malfunction, interruption or error in the transmission of information caused by any machine or systems or interception of communication facilities.
- 21.5 The indemnity set out in this Clause 21 shall survive any termination or expiry of this Agreement or resignation or removal of any Agent.

22. Responsibility of the Agents

- 22.1 No Agent shall be responsible to anyone with respect to the validity of this Agreement or the Covered Bonds, Talons, Receipts or Coupons or (save as provided in Clause 21.2) for any act or omission by it in connection with this Agreement or any Covered Bond, Talon, Receipt or Coupon except for its own negligence, wilful misconduct or wilful default, including that of its officers and employees.
- 22.2 No Agent shall have any duty or responsibility to take any action in the case of any default by the Issuer in the performance of its obligations under the Conditions or, in the case of receipt of a written demand from a Covered Bondholder or Couponholder, with respect to such default; *provided*, however, that immediately on receiving any notice given by a Covered Bondholder in accordance with Condition 10 (*Events of Default*), the Fiscal Agent notifies the Issuer of the fact and furnishes it with a copy of the notice.
- 22.3 Whenever in the performance of its duties under this Agreement an Agent shall deem it desirable that any matter be established by the Issuer prior to taking or suffering any action under this Agreement, the matter may be deemed to be conclusively established by a certificate signed by the Issuer and delivered to such Agent and the certificate shall be a full authorisation to such Agent for any action taken or suffered in good faith by it under the provisions of this Agreement in reliance upon the certificate.

23. Conditions of Appointment

- 23.1 All money that each of the Fiscal Agent and Exchange Agent holds for the Issuer under this Agreement is held by it as banker and not as trustee under the Client Money Rules. If the Fiscal Agent or Exchange Agent fails (as this term is used in the glossary of the FCA Rules), the Client Money Distribution Rates shall not apply to such money and so the Issuer will not be entitled to share in any distribution under the Client Money Distribution Rules.
- 23.2 Each of the Agents shall be entitled to deal with money paid to it by the Issuer for the purpose of this Agreement in the same manner as other money paid to a banker by its customers except:
- (a) that it shall not exercise any right of set-off, lien or similar claim in respect of the money; and
 - (b) that it shall not be liable to account to the Issuer for any interest on the money.

No money held by any Agent need be segregated except as required by Applicable Law.

- 23.3 In acting under this Agreement and in connection with the Covered Bonds, each of the Agents shall act solely as an agent of the Issuer and will not assume any obligations towards or relationship of agency or trust for or with any of the owners or holders of the Covered Bonds, Receipts, Coupons or Talons or any of the Hedging Counterparties (if any) or other Secured Creditors.
- 23.4 Each of the Agents undertakes to the Issuer to perform its duties, and shall be obliged to perform the duties and only the duties, specifically stated in this Agreement (including Schedule 9 (*Additional Duties of the Fiscal Agent and the Registrar*)) in the case of the Fiscal Agent and the Registrar, the Conditions, the Procedures Memorandum and the other Transaction Documents to which such Agent is a party, and no implied duties or obligations shall be read into any of those documents against any Agent, other than the duty to act honestly and in good faith and to exercise the diligence of a reasonably prudent agent in comparable circumstances. Each of the Agents agrees that if any information that is required by the Fiscal Agent or the Registrar to perform the duties set out in Schedule 9 (*Additional*

Duties of the Fiscal Agent and the Registrar) becomes known to it, it will promptly provide such information to the Fiscal Agent or the Registrar, as the case may be.

- 23.5 Each Agent may consult with legal and other professional advisers and the opinion of such advisers shall be full and complete protection in respect of any action taken, omitted or suffered by an Agent under this Agreement in good faith and in accordance with the opinion of such advisers; *provided* that, each Agent shall notify the Issuer prior to the exercise of this right.
- 23.6 Without prejudice to the generality of Clause 23.5 above, each Agent may at any time engage at the cost of the Issuer (to the extent duly documented and reasonable) for the services of any lawyers to act as independent counsel to an Agent if an Agent in its reasonable opinion deems this to be necessary; *provided* that, each Agent shall notify the Issuer prior to the the exercise of this right.
- 23.7 Each of the Agents shall be protected and shall incur no liability in respect of any action taken, omitted or suffered in reliance on any instruction from the Issuer or any document which it reasonably believes to be genuine and to have been delivered by the proper party or on written instructions from the Issuer. No Agent shall be under any duty or obligation to verify or confirm that the person who sent any such instructions or directions is, in fact, a person authorised to give instructions or directions on behalf of the Issuer (other than to verify that the signature on a facsimile is the signature of a person authorised to give instructions and directions on behalf of the Issuer). The Issuer shall use all reasonable endeavours to ensure that instructions transmitted to any Agent by it pursuant to this Agreement are correct and sufficient to enable such Agent to take the requisite action. Any instructions from the Issuer to any Agent hereunder shall be conclusively deemed to be valid instructions from the Issuer to such Agent for the purposes of this Agreement.
- 23.8 The Agents and their respective officers, directors and employees may become the owner of, and/or acquire any interest in, any Covered Bonds, Receipts, Coupons or Talons (and may be Hedging Counterparties) with the same rights that it or he would have had if the Agent concerned were not appointed under this Agreement, and may engage or be interested in any financial or other transaction with the Issuer or any other Person and may act on, or as depositary, trustee or agent for, any committee or body of holders of Covered Bonds or Coupons or in connection with any other obligations of the Issuer or any other Person as freely as if the Agent were not appointed under this Agreement.
- 23.9 The Issuer shall provide the Fiscal Agent and the Registrar with a certified copy of the list of persons authorised to execute documents and take action on its behalf in connection with this Agreement and the Fiscal Agent and the Registrar may rely upon such list until such time as the Issuer provides a replacement list to the Fiscal Agent and the Registrar.
- 23.10 Except as otherwise provided in the Conditions or as otherwise required by Applicable Law, the Issuer and each of the Agents shall be entitled to treat the bearer of any Bearer Covered Bond, Receipt or Coupon and the registered holder of any Registered Covered Bond as the absolute owner thereof (whether or not overdue and regardless of any notice of ownership, trust or any other interest or any writing on, or the theft or loss of, such Covered Bond) for all purposes.
- 23.11 Subject to Clause 23.12, for so long as any of the Covered Bonds is represented by a Global Covered Bond deposited with and, in the case of a Registered Global Covered Bond, registered in the name of a clearing system (or a nominee thereof or of a common depositary or a common safekeeper thereof), each Person (other than a clearing system or a nominee, common depositary or common safekeeper thereof) who is for the time being shown in the records of such clearing system as the holder of a particular Principal Amount Outstanding of such Global Covered Bond (in which regard any certificate or other document issued by such clearing system as to the Principal Amount Outstanding of such Covered Bonds standing to

the account of any Person shall be conclusive and binding for all purposes except in the case of manifest or proven error) shall, upon receipt of such certificate or other document by the Issuer or an Agent, be treated by the Issuer or such Agent (as applicable) as if such Person were the holder of such Principal Amount Outstanding of such Covered Bonds (and the bearer or registered holder of such Global Covered Bond shall be deemed not to be the holder) for all purposes other than with respect to the payment of principal or interest on such Global Covered Bond, for which purpose the bearer of such Bearer Global Covered Bond or, as applicable, the registered holder of such Registered Global Covered Bond shall be treated by the Issuer and each Agent as the holder of such Principal Amount Outstanding of such Covered Bonds in accordance with and subject to the terms of such Global Covered Bond. The expressions “Covered Bondholder” and “holder of Covered Bonds” and related expressions shall be construed accordingly.

- 23.12 For so long as DTC or its nominee is the registered owner or holder of a Registered Global Covered Bond, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Covered Bonds represented by such Registered Global Covered Bond for all purposes under the Transaction Documents except to the extent that in accordance with DTC's published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through DTC's participants. The expressions “Covered Bondholder” and “holder of Covered Bonds” and related expressions shall, for the purposes of any such Registered Global Covered Bond, be construed accordingly.
- 23.13 The amount of the Programme may be amended by the Issuer in accordance with the procedure set out in the Programme Agreement. Upon any amendment in the Programme Limit being effected, all references in this Agreement to the amount and Programme Limit of the Programme shall be deemed to be references to the amended amount.
- 23.14 No Agent has a duty towards the Covered Bondholders and its role as an Agent is purely administrative and limited to the duties set out in this Agreement.

24. Communications between the Parties

A copy of all communications relating to the subject matter of this Agreement between the Issuer and any Agent (other than the Fiscal Agent) shall be sent by the sender thereof to the Fiscal Agent (including through the Fiscal Agent being copied thereon).

25. Changes in Agents

- 25.1 The Issuer agrees that, for so long as any Covered Bond is outstanding, or until moneys for the payment of all amounts in respect of all outstanding Covered Bonds have been made available to the Fiscal Agent and have been returned to the Issuer, as provided in this Agreement:
- (a) so long as any Covered Bonds are listed on any Stock Exchange or admitted to trading by any other relevant authority, there will at all times be, in the case of Bearer Covered Bonds, a Paying Agent, which may be the Fiscal Agent, and, in the case of Registered Covered Bonds, a Transfer Agent, which may be the Registrar, with a specified office in the place required by the rules and regulations of the relevant Stock Exchange or any other relevant authority;
 - (b) there will at all times be a Fiscal Agent and a Registrar;
 - (c) so long as any Registered Global Covered Bonds payable in a Specified Currency other than U.S. dollars are held through DTC or its nominee, there will at all times be an Exchange Agent with a specified office in New York City; and

- (d) there will at all times be a Paying Agent in a jurisdiction other than the jurisdiction in which the Issuer is incorporated.

In addition, the Issuer shall as soon as practicable appoint a Paying Agent having a specified office in the United States in the circumstances described in Condition 12 (*Agents*). Any such variation, termination, appointment or change of any Agent shall only take effect (other than in the cases as provided in Clause 25.4 or a Paying Agent ceasing to be a FATCA-Compliant Entity, when (if so requested by the Issuer) it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Covered Bondholders in accordance with Condition 14 (*Notices*). A "**FATCA-Compliant Entity**" means a Person payments to whom are not subject to any FATCA Withholding Tax.

- 25.2 Each of the Fiscal Agent and the Registrar may (subject as provided in Clause 25.5) at any time resign by giving at least 60 days' written notice to the Issuer specifying the date on which its resignation shall become effective, without giving reason for any such resignation.
- 25.3 Each of the Fiscal Agent and the Registrar may (subject as provided in Clause 25.5) be removed at any time (with or without cause) by the Issuer on at least 45 days' notice in writing from the Issuer specifying the date when the removal shall become effective.
- 25.4 Notwithstanding the provisions of Clause 25.3, if at any time an Agent: (a) fails to comply with its obligations hereunder, (b) becomes incapable of acting, (c) is adjudged bankrupt or insolvent, (d) files a voluntary petition in bankruptcy, makes an assignment for the benefit of its creditors or consents to the appointment of an administrator, liquidator or administrative or other receiver of all or any substantial part of its property, (e) has an administrator, liquidator or administrative or other receiver appointed for it or all or a substantial part of its property, (f) admits in writing its inability to pay or meet its debts as they may mature or suspends payment of its debts, (g) has an order of any court entered approving any petition filed by or against it under the provisions of any applicable bankruptcy or insolvency Applicable Law, or (h) has a public officer take charge or control of such Agent or of its property or affairs for the purpose of rehabilitation, administration or liquidation, then the Issuer may forthwith terminate the appointment of such Agent, and notice of such termination shall be given to the Covered Bondholders under Condition 14 (*Notices*) as soon as practicable thereafter.
- 25.5 Any resignation under Clause 25.2 or removal of the Fiscal Agent or the Registrar under Clauses 25.3 or 25.4 shall only take effect upon the appointment by the Issuer of a successor Fiscal Agent or Registrar, as the case may be, and (other than in cases of termination under Clause 25.1 or 25.4) on the expiry of the notice to be given under Clause 27 (*Notification of Changes to Agents*). The Issuer agrees with the Fiscal Agent and the Registrar that if, by the day falling 10 days before the expiry of any notice under Clause 25.1, the Issuer has not appointed a successor Fiscal Agent or Registrar, as the case may be, then the Fiscal Agent or Registrar, as the case may be, shall be entitled, on behalf of the Issuer, to appoint in its place as a successor Fiscal Agent or Registrar, as the case may be, a reputable financial institution of good standing (subject to the approval of the Issuer, such approval not to be unreasonably withheld or delayed).
- 25.6 Subject to Clause 25.1, all or any of the Agents (other than the Fiscal Agent and Registrar) may resign their respective appointments under this Agreement at any time by giving the Issuer and the Fiscal Agent at least 60 days' written notice to that effect, without giving reason for any such resignation.
- 25.7 Upon its resignation or removal becoming effective, the relevant Agent shall be entitled to the payment by the Issuer of the commissions, fees and expenses payable in respect of its services under this Agreement before termination in accordance with the terms of Clause 20 (*Commissions and Expenses*).

- 25.8 Upon its appointment becoming effective, a successor or new Agent shall, without any further action, become vested with all the authority, rights, powers, duties and obligations of its predecessor or, as the case may be, an Agent with the same effect as if originally named as an Agent under this Agreement; *provided* that any successor Agent shall not become vested with any: (a) rights to indemnity (or for the payment of any fees or expenses) payable by the Issuer to the replaced Agent or (b) obligations of its predecessor to indemnify the Issuer or any other Person (including pursuant to Clause 21.1), which rights and obligations shall remain rights and obligations of the replaced Agent as if it remained a party hereto.
- 25.9 If the appointment of an Agent under this Agreement is terminated (whether by the Issuer or by the resignation or removal of the relevant Agent), then such Agent shall, on the date on which the termination takes effect, deliver to its successor Agent (or, if none, the Fiscal Agent) all Covered Bonds, Coupons, Receipts and Talons surrendered to it but not yet destroyed and all records concerning the Covered Bonds maintained by it (except such documents and records as it is obliged by Applicable Law to retain or not to release) and pay to its successor Agent (or, if none, to the Fiscal Agent) the amounts (if any) held by it under this Agreement, but (except as provided in Clause 25.8) shall have no other duties or responsibilities under this Agreement.
- 25.10 Upon any replacement of an Agent, whether as a result of resignation or otherwise, any delegates, holders of powers of attorney, authorised persons or other representatives, appointees or agents of the departing Agent shall be immediately and automatically terminated without any action by any Person.

26. Merger and Consolidation

Any corporation into which any Agent may be merged or converted, or any corporation with which an Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which an Agent shall be a party, or any corporation to which an Agent shall sell or otherwise transfer all or substantially all of its assets shall, on the date when the merger, conversion, consolidation or transfer becomes effective and to the extent not prohibited by any Applicable Laws, become the successor Agent under this Agreement without the execution or filing of any paper or any further act on the part of the parties to this Agreement, unless otherwise required by the Issuer and after the said effective date all references in this Agreement to the relevant Agent shall be deemed to be references to such successor corporation. Written notice of any such merger, conversion, consolidation or transfer (or, subject to any Applicable Laws, of any pending such merger, conversion, consolidation or transfer) shall immediately be given to the Issuer by the relevant Agent.

27. Notification of Changes to Agents

Following any change to the Agents (whether following a resignation, termination or any other reason), the Fiscal Agent (on behalf of and at the expense of the Issuer) shall give, within 30 days of such change, notice of such fact to the Covered Bondholders in accordance with Condition 14 (*Notices*).

28. Change of Specified Office

If any Agent determines to change its specified office, it shall give to the Issuer and the Fiscal Agent written notice of that fact giving the address of the new specified office (which, absent the Issuer's consent, shall be in the same country as the original specified office) and stating the date on which the change is to take effect, which shall not be less than 45 days after the notice. The Fiscal Agent (on behalf and at the expense of the Issuer) shall within 15 days of receipt of the notice (unless the appointment of the relevant Agent is to terminate pursuant to

Clause 25 (*Changes in Agents*) on or prior to the date of the change) give or cause to be given not more than 45 days' nor less than 30 days' notice of the change to the Covered Bondholders in accordance with the Conditions.

29. Communications

- 29.1 All communications hereunder shall be by electronic communication (including e-mail), fax or letter delivered by hand or (but only where specifically provided in the Procedures Memorandum) by telephone. Each communication hereunder shall be made to the relevant party at the e-mail address, fax number or address or telephone number and, in the case of a communication by electronic address, fax or letter, marked for the attention of, or (in the case of a communication by telephone or e-mail) made to, the person or department from time to time specified in writing by that party to the others for the purpose. The initial telephone number, fax number, address, e-mail and person or department so specified by each party are set out in the Procedures Memorandum.
- 29.2 Subject to Condition 14 (*Notices*), a communication shall be deemed received: (a) if delivered in person, at the time of delivery, (b) if by electronic communication, when the relevant receipt of such communication being read is given, or where no read receipt is requested by the sender, at the time of sending; *provided* that no delivery failure notification is received by the sender within 24 hours of sending such communication, (c) if by fax, when an acknowledgement of receipt is received, or (d) if by letter, when delivered, in each case in the manner required by this Clause 29. However, if a communication is received after business hours on any business day or on a day which is not a business day in the place of receipt, it shall be deemed to be received and become effective at the opening of business on the next business day in the place of receipt. Every communication shall be irrevocable save in respect of any manifest error in it.
- 29.3 Each Agent may rely upon and comply with instructions and directions hereunder sent by e-mail, facsimile and other similar unsecured electronic methods ("**Electronic Methods**") by persons reasonably believed by it to be authorised to give instructions and directions on behalf of the Issuer. Each of the Agents shall have no duty or obligation hereunder to verify or confirm that the person who sent such instructions or directions is, in fact, a person authorised to give instructions or directions on behalf of the Issuer (other than to verify that the signature on a facsimile is the signature of a person authorised to give instructions and directions on behalf of the Issuer) and shall have no liability for any losses, liabilities, costs or expenses incurred or sustained by the Issuer as a result of such reliance upon or compliance with such instructions or directions. The Issuer agrees to assume all risks arising out of the use by it of Electronic Methods to submit instructions and directions to the Agents, including, without limitation, the risk of the Agents acting on unauthorised instructions, and the risk of interception and misuse by third parties. The Issuer agrees that the indemnity set out in Clause 21 (*Indemnity*) shall, subject to the qualifications set out therein, apply in respect of any loss or liability suffered by any Agent as a result of acting upon instructions and directions sent by Electronic Methods.
- 29.4 The parties acknowledge and agree that, in addition to other permissible legal evidence pursuant to the Civil Procedure Code of Turkey (Law No. 6100), any notice, demand, request or other communication pursuant to this Agreement that is made by facsimile, e-mail or electronic communication shall constitute legally written evidence between/among the parties thereto pursuant to the first paragraph of Article 193 of the Civil Procedure Code of Turkey (Law No. 6100).
- 29.5 Any notice given under or in connection with this Agreement shall be in English. All other documents provided under or in connection with this Agreement shall be:
- (a) in English; or

- (b) if not in English, upon the request of the applicable recipient, accompanied by a certified English translation and, in this case, the English translation shall prevail unless the document is a statutory or other official document and any documents received by an Agent shall, if not in English, be accompanied by a certified English translation thereof to the extent requested by such Agent.

29.6 If the Issuer requests any Agent to act on instructions or directions delivered by fax, e-mail or any other unsecured method of communication or any instructions or directions delivered through BNY Mellon Connect, such Agent shall have: (i) no duty or obligation to verify or confirm that the Person who sent such instructions or directions is, in fact, a Person authorised to give instructions or directions on behalf of the Issuer, and (ii) no liability for any losses, liabilities, costs or expenses incurred or sustained by the Issuer as a result of such reliance upon or compliance with such instructions or directions.

30. Taxes and Stamp Duties

The Issuer agrees to pay any and all stamp and other documentary taxes or duties which may be payable in connection with the execution, delivery, performance and enforcement of this Agreement.

31. Currency Indemnity

If, under any Applicable Law and whether pursuant to a judgment being made or registered against the Issuer or in the liquidation, insolvency or any similar process of the Issuer or for any other reason, any payment under or in connection with this Agreement is made or falls to be satisfied in a currency (the “**other currency**”) other than that in which the relevant payment is expressed to be due (the “**required currency**”) under this Agreement, then, to the extent that the payment (when converted into the required currency at the rate of exchange on the date of payment or, if it is not practicable for the relevant Agent to purchase the required currency with the other currency on the date of payment, at the rate of exchange as soon thereafter as it is practicable for it to do so or, in the case of a liquidation, insolvency or analogous process, at the rate of exchange on the latest date permitted by Applicable Law for the determination of liabilities in such liquidation, insolvency or analogous process) actually received by the relevant Agent falls short of the amount due under the terms of this Agreement, the Issuer undertakes that it shall, as a separate and independent obligation, indemnify and hold harmless the Agent against the amount of the shortfall; provided that documented evidence of such shortfall is delivered to the Issuer by such Agent along with a request for such indemnification. For the purpose of this clause, “rate of exchange” means the rate at which the relevant Agent is able on the London foreign exchange market on the relevant date to purchase the required currency with the other currency and shall take into account any premium and other reasonable costs of exchange.

32. Amendments

32.1 Save as provided in Clauses 32.3 and 32.5, the Issuer may (without the consent of the other parties hereto and, subject to the provisions of the other applicable Transaction Documents, the other parties thereto and any other Secured Creditors) make:

- (a) any amendment to any of the provisions of the Conditions of any Series, the Deed of Covenant, this Agreement or any other Transaction Document, which amendment is: (i) made while no Covered Bonds are outstanding or (ii) in the opinion of the Issuer, either: (A) of a formal, minor or technical nature or that is made for the purpose of curing any ambiguity or of curing or correcting any manifest or proven error or any other defective provision contained herein or therein or (B) not materially prejudicial

to the interests of the Covered Bondholders and/or the Hedging Counterparties (if any) (in each case, considered: (1) as a class and not individually, and (2) from a contractual perspective without consideration of any regulatory or other unique circumstances that might apply to any one or more Covered Bondholders and/or Hedging Counterparties (if any));

- (b) any amendment to any of the Transaction Documents if the Issuer proposes to: (i) appoint a rating agency to assign a credit rating to one or more Series of Covered Bonds or (ii) revise any provision of the Transaction Documents in accordance with the then current rating agency criteria of one or more of the Relevant Rating Agencies (such as to establish or alter the Offshore Account Bank Required Rating relating to such Relevant Rating Agency); *provided* that: (A) the Issuer certifies to the Security Agent and the Fiscal Agent that such amendment is necessary or desirable in order to give effect to the appointment of the additional Relevant Rating Agency and the assignment of its initial credit rating to the relevant Covered Bonds or to conform any provision of the Transaction Documents to the then current rating agency criteria of one or more of the Relevant Rating Agencies and (B) subject to Clause 32.4 below, Rating Agency Confirmation with respect to each outstanding Series of Covered Bonds has been obtained in respect of such amendment;
- (c) any modification to a Hedging Agreement (if any) that is requested by the Issuer or the relevant Hedging Counterparty in order to enable the Issuer and/or the relevant Hedging Counterparty to comply with any requirements that apply to it under EMIR, Dodd-Frank, MiFID II or the Applicable Laws of Turkey (or other hedging-related Applicable Law in any jurisdiction to which the Issuer or the relevant Hedging Counterparty (if any) is subject), including any New EMIR Requirements, New Dodd-Frank Requirements, or New MiFID II Requirements or New Turkish Law Requirements (or other hedging-related Applicable Law in any jurisdiction to which the Issuer or the relevant Hedging Counterparty (if any) is subject), as applicable, in relation to such Hedging Agreement (if any), subject to the Issuer and/or the relevant Hedging Counterparty, as applicable, providing the Fiscal Agent and the Security Agent with written certification that the Issuer and/or the relevant Hedging Counterparty is only seeking to implement changes it considers appropriate to comply with EMIR, Dodd-Frank, MiFID II or the Applicable Law of Turkey (or other hedging-related Applicable Law in any jurisdiction to which the Issuer and/or the relevant Hedging Counterparty (if any) is subject), including or to meet the New EMIR Requirements, New Dodd-Frank Requirements, New MiFID II Requirements or New Turkish Law Requirements, as applicable, together with any modification to any other Transaction Document(s) that may be necessary as a consequence of such modification to the relevant Hedging Agreement (if any); *provided* that any modification or change to the payment instructions (*i.e.*, the account to which payment is to be made by the Hedging Counterparty (if any)) contained in such Hedging Agreement (if any) shall require the consent of the Security Agent (as directed by the Covered Bondholder Representative);
- (d) any amendment to any of the Transaction Documents (including a change in the definitions of Cover Pool, Cover Pool Asset, Individual Asset Eligibility Criteria, Substitute Asset Limit, Required Overcollateralisation Percentage and Statutory Test (and their corresponding subsidiary definitions)) (to the extent not otherwise permitted by the Transaction Documents, including per (a) and (b) above and (j) below) as a result of any amendment, restatement, modification or other change to the Turkish Covered Bonds Law; *provided* that: (i) the Issuer provides the Security Agent and the Fiscal Agent with written certification that the Issuer is only seeking to implement mandatory provisions of the Turkish Covered Bonds Law applicable to the Programme and (ii) each Relevant Rating Agency has been notified in writing in

respect of such amendment not less than five London Business Days prior to the proposed amendment;

- (e) any amendment to effect the substitution of the Issuer in accordance with the provisions of the Covered Bonds Communiqué, together with any modification to any other Transaction Document that may be necessary as a consequence of such substitution;
- (f) any amendment to effect the appointment of a third party service provider (*hizmet sağlayıcı*) (within the meaning of the Covered Bonds Communiqué) or an Administrator, together with the modification to any other Transaction Document that may be necessary for the sole purpose of enabling such third party service provider or Administrator to carry out its statutory duties and for no other purpose;
- (g) any amendment to effect the appointment or replacement of any Agent, the Security Agent, the Calculation Agent, the Offshore Account Bank or a Covered Bond Calculation Agent; *provided* that: (i) such appointment or replacement is otherwise made in accordance with the provisions of the relevant Transaction Documents applicable to such Agent, the Security Agent, the Calculation Agent, the Offshore Account Bank or such Covered Bond Calculation Agent and (ii) each Relevant Rating Agency has been notified in writing of such amendment not less than five London Business Days prior to the proposed amendment;
- (h) any amendment to effect the appointment of a replacement Cover Monitor to the Programme; *provided* that: (i) such appointment is otherwise made in accordance with the provisions of the Cover Monitor Agreement (if relevant) and the Covered Bonds Communiqué and (ii) each Relevant Rating Agency has been notified in writing of such amendment not less than five London Business Days prior to the proposed amendment;
- (i) any amendment to any of the Transaction Documents to facilitate the inclusion of a guarantor or other enhancer for Series of Covered Bonds, which amendment the Issuer certifies to the Security Agent and the Fiscal Agent is not materially prejudicial to the then-existing Covered Bondholders and/or the Hedging Counterparties (if any) (in each case, considered: (i) as a class and not individually, and (ii) from a contractual perspective without consideration of any regulatory or other unique circumstances that might apply to any one or more Covered Bondholders and/or Hedging Counterparties (if any)) (it being acknowledged and agreed that: (A) any such amendment that permits the guarantor/enhancer to: (1) receive its interest/premium/fee on a *pro rata* basis with interest on the Covered Bonds, (2) receive interest and/or principal (or reimbursement for making a guaranty/enhancement payment for interest and/or principal) on a *pro rata* basis with interest and/or principal, as applicable, on the Covered Bonds, (3) receive indemnities and other payments on a *pro rata* basis with similar payments to Covered Bondholders and/or (4) be a Secured Creditor will not be considered to be materially prejudicial to the then-existing Covered Bondholders and/or the Hedging Counterparties (if any) as a class and (B) any such guarantor or other enhancer is not, as of the Programme Closing Date, permitted to be paid from the Cover Pool except to the extent that it may receive payment therefrom as an Other Secured Creditor);
- (j) any amendment to the Individual Asset Eligibility Criteria as a result of the inclusion of additional Cover Pool Assets in the Programme or to comply with the Issuer's then current underwriting, servicing and collection procedures; *provided that*: (i) any such change is in compliance with the provisions of the Covered Bonds Communiqué, (ii) any requirements in the Transaction Documents as to the inclusion of additional Cover Pool Assets in the Programme are satisfied and (iii) subject to Clause 32.4

below, Rating Agency Confirmation with respect to each outstanding Series of Covered Bonds has been obtained in respect of such amendment; and

- (k) at any time after a change in the Applicable Law of Turkey (including in the Covered Bonds Communiqué) that permits the Additional Cover to be made available to some or all of the Other Secured Creditors on a *pari passu* or priority basis to the Total Liabilities, any amendment to the Agency Agreement, the Security Assignment or any other Transaction Document to provide for such *pari passu* or priority treatment.
- 32.2 Any such amendment or modification will be binding upon the Agents, Covered Bondholders, Receiptholders, Couponholders and other Secured Creditors and, unless the Fiscal Agent agrees otherwise, any such modification shall be notified by the Issuer to the applicable Covered Bondholders as soon as practicable thereafter in accordance with Condition 14 (*Notices*). Each party hereto is hereby authorised and instructed to acknowledge, agree to and/or execute any such amendment or modification to the extent requested by the Issuer.
- 32.3 The provisions of Clause 32.1 (other than Clause 32.1(a)(i)) shall not apply to any Series Reserved Matter or Programme Reserved Matter.
- 32.4 Whenever the implementation of certain matters is, pursuant to the Conditions and/or the other Transaction Documents, subject to a Rating Agency Confirmation, the requirement shall be satisfied by receipt of (or access to) the Rating Agency Confirmation by the Security Agent; *provided that*: (a) if the applicable Relevant Rating Agency provides a waiver or any communication indicating its decision not to review (or otherwise declining to review) the matter for which the Rating Agency Confirmation is sought, then the requirement for the Rating Agency Confirmation from such Relevant Rating Agency with respect to such matter will be deemed waived, or (b) the Security Agent shall, where directed by the Covered Bondholder Representative or as otherwise provided in the Conditions and/or the other Transaction Documents, waive the requirement for a Rating Agency Confirmation to be obtained.
- 32.5 Notwithstanding anything in Clause 32.1 to the contrary, any amendment or other modification that decreases the rights of any Agent or the Security Agent (in their respective individual capacities), as applicable, or increases the obligations and/or liabilities of any Agent or the Security Agent, as applicable, including any amendment or modification to the definition of Reserve Fund Secured Creditor, shall require the consent of such Agent or the Security Agent, as applicable, which shall be in its sole discretion.
- 32.6 Any amendments, modifications or waivers in relation to the Conditions or the other Transaction Documents that are not covered by Clauses 32.1 and 32.4 above are, subject to the requirements for Programme Reserved Matters and Series Reserved Matters, required to be effected by Extraordinary Resolution (though substituting the phrases “not less than 75%” with “more than 50%” in the definition of Extraordinary Resolution) in respect of the Covered Bonds for the time being outstanding (or, if applicable, a Series of Covered Bonds) and (except for waivers of compliance by the Issuer) require the consent of the Issuer.

33. Reliance on Documents

Any order, written instruction, notice, request, direction, statement, certificate, consent, report, affidavit, or other instrument, paper, document or communication from the Issuer or given by the Issuer and sent, delivered or directed to any Agent under, pursuant to, or as permitted by, any provisions of this document will be sufficient for purposes of this document if such order, written instruction, notice, request, direction, statement, certificate, consent, report, affidavit, or other instrument, paper, document or communication is in writing and signed by at least two duly authorised officers of the Issuer.

34. Provision of Information

Except to the extent contrary to Applicable Law or any contractual obligations binding upon the Issuer, the Issuer shall provide, as soon as reasonably practicable, each Agent with any information it may reasonably request at any time in accordance with the provisions of this Agreement and the performance of their duties set out herein.

35. Monitoring

The Agents are not obliged to: (a) monitor whether the Issuer or any other Person(s) are complying with their obligations under the Transaction Documents or (b) determine whether any event (including any Event of Default (as defined in the Conditions)) has occurred at any time.

36. Illegality and Own Funds

The Agents are not required to undertake any act which may be illegal or contrary to any Applicable Law to which the applicable Agent is subject. Notwithstanding any other provision to the contrary in this Agreement or any other Transaction Document to which an Agent is a party (each a “**Relevant Transaction Document**”), no Agent shall be required to:

- (a) perform its duties and obligations or exercise its rights and remedies; or
- (b) expend or risk its own funds or incur a financial liability,

in each case under a Relevant Transaction Document in circumstances (each such circumstance being a “**Specified Circumstance**”) where amounts are due and payable to such Agent under a Relevant Transaction Document and remain unpaid or the repayment of such funds or adequate indemnity against such risk or liability is not assured to such Agent). The Agents shall be deemed not to be in breach of the Relevant Transaction Documents or otherwise be liable for any failure to perform their respective duties and obligations or exercise their respective rights and remedies under a Relevant Transaction Document to the extent they have elected not to act as a result of a Specified Circumstance.

37. The Security Agent

37.1 The Agents shall, by notice in writing from the Security Agent made at any time after an Event of Default has occurred and is continuing or a Transferability and Convertibility Event has occurred and is continuing, and until notified in writing by the Security Agent to the contrary, so far as permitted by Applicable Law:

- (a) act thereafter, until otherwise instructed by the Security Agent, as agents of the Security Agent under the Security Assignment, the Security Agency Agreement and the Covered Bonds on the terms of this Agreement (with consequential amendments as necessary and except that the Security Agent’s liability under this Agreement for the indemnification, remuneration and expenses of the Agents will be limited to the amounts for the time being held by the Security Agent in respect of the Covered Bonds on the terms of the Security Assignment and the Security Agency Agreement) and shall hold all Covered Bonds and Coupons and all moneys, documents and records held by them in respect of Covered Bonds and Coupons to the order of the Security Agent; and/or

- (b) deliver all Covered Bonds and Coupons and all moneys, documents and records held by them in respect of the Covered Bonds and Coupons to the Security Agent or as the Security Agent directs in such notice;

provided that the obligations of the Agents under this Clause 37.1 shall be deemed not to apply to any documents or record which the relevant Agent is obliged not to release by any applicable law or regulation.

- 37.2 The Security Agent at any time may, if any Event of Default or Transferability and Convertibility Event is remedied to the reasonable satisfaction of the Security Agent, by notice in writing to the Issuer and the relevant Agents, withdraw any notice given by the Security Agent pursuant to Clause 37.1 whereupon such Agents shall act as agents of the Issuer in accordance with the terms hereof. The withdrawal of such notice given by the Security Agent pursuant to Clause 37.1 shall not preclude the Security Agent from issuing any other or further notices pursuant to that Clause on any subsequent occasion and at any time after the occurrence of an Event of Default or Transferability and Convertibility Event which is continuing. No notice given by the Security Agent pursuant to Clause 37.1 shall be withdrawn except at the absolute discretion of the Security Agent.
- 37.3 Each Agent: (a) recognises the Security Agent as its representative, in relation to the Transaction Security Documents and the Security Agency Agreement, acting in its name and on its behalf, and agrees to be bound by the terms of the Transaction Security Documents and the Security Agency Agreement as if such Agent were itself a signatory thereto; and (b) acknowledges and accepts the terms of the appointment of the Security Agent as set out in the Security Agency Agreement and all of the provisions of the Security Agency Agreement relating to the exercise by the Security Agent of its powers, trusts, authorities, duties, rights and discretions contained therein.
- 37.4 Each other Secured Creditor, by reason of holding one or more Covered Bonds and/or accepting the benefits of the Transaction Security Documents: (a) is deemed to recognise the Security Agent as its representative, in relation to the Transaction Security Documents and the Security Agency Agreement, acting in its name and on its behalf, and agrees to be bound by the terms of the Security Transaction Documents and the Security Agency Agreement as if such Secured Creditor were a party thereto, and (b) acknowledges and accepts the terms of the appointment of the Security Agent as set out in the Security Agency Agreement and all of the provisions of the Security Agency Agreement relating to the exercise by the Security Agent of its powers, trusts, authorities, duties, rights and discretions contained therein.
- 37.5 The Security Agent is a party to this Agreement solely for the purposes of the preservation of its rights under the Transaction Security Documents, the Security Agency Agreement and the other Transaction Documents to which it is a party.

38. Assignment

- 38.1 The Issuer shall not be entitled to assign or transfer all or any of its rights or obligations hereunder without the prior consent of the Security Agent, except that: (a) the Issuer may assign the benefit of its rights, title, interest and benefit, present and future, in, to and under this Agreement to the Security Agent pursuant to the Security Assignment and as provided in Clause 38.2; and (b) the Issuer may assign, transfer and/or novate, as applicable, all or part of its obligations and rights, title, interest and benefit, present and future, in, to and under this Agreement to a replacement Issuer appointed in accordance with the provisions of Clause 27(5) of the Covered Bonds Communiqué.
- 38.2 After its appointment pursuant to the Covered Bonds Communiqué, an Administrator may, with the consent of the CMB, transfer all or part of the Cover Pool Assets and the Total Liabilities and any other obligations which benefit from the Cover Pool to another bank

(within the meaning of the Covered Bonds Communiqué) or mortgage financial institution within the meaning of the Covered Bonds Communiqué (such a mortgage financial institution, an “MFI”) that is able to issue covered bonds under the Covered Bonds Communiqué (upon such transfer, the ownership of the relevant Cover Pool Assets would be deemed to have passed to such bank or MFI (“New Issuer”) and the Issuer shall be discharged from the Total Liabilities (or relevant part thereof in the case of a partial transfer) and other obligations that are assumed by the New Issuer. The parties hereto acknowledge and agree that any such transfer is not subject to the consent of the Security Agent, Covered Bondholders, Hedging Counterparties (if any), Agents or other Secured Creditors. Any such transfer will not constitute an Issuer Event or Event of Default.

- 38.3 Each of the Agents hereby acknowledges notice of, and consents to, the assignment by the Issuer of all its rights hereunder to the Security Agent pursuant to the Security Assignment.
- 38.4 No Agent shall be entitled to assign or transfer all or part of its rights or obligations hereunder except to a successor Agent pursuant to Clause 25 (*Changes in Agents*).

39. Contracts (Rights of Third Parties) Act 1999

Except with respect to any indemnified person under Clause 21 (*Indemnity*), a replaced Agent under Clause 25.8 or any payee under Clause 31 (*Currency Indemnity*), a Person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement, but this does not affect any right or remedy of a third party which exists or is available apart from that Act. Notwithstanding the preceding sentence, any rights arising by virtue of such Act (and any provisions of this Agreement) may be rescinded or varied in any way and at any time by the parties to this Agreement without the consent of any such third party.

40. Governing Law and Submission to Jurisdiction

- 40.1 This Agreement and any non-contractual obligations arising out of or in connection with this Agreement are governed by, and shall be construed in accordance with, English law.
- 40.2 The parties to this Agreement agree that the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgment or order originally of the High Court of Justice of England and Wales) have exclusive jurisdiction to settle any dispute, claim, difference or controversy among the parties hereto arising out of, relating to or having any connection with this Agreement, including any dispute as to its existence, validity, interpretation, performance, breach or termination or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of or in connection with it (together referred to as “**Proceedings**”), and each party submits to the exclusive jurisdiction of the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgment or order originally of the High Court of Justice of England and Wales) with respect thereto.
- 40.3 To the full extent permitted by Applicable Law, each party hereto irrevocably waives any objection which it may have to the laying of the venue of any Proceedings in any such courts and any claim that any such Proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any Proceedings brought in the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgment or order originally of the High Court of Justice of England and Wales) shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.

- 40.4 Nothing contained in this clause shall limit any right to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not, to the extent allowed by Applicable Law.
- 40.5 In connection with any Proceedings, service of process may be made upon the Issuer at any of its branches or other offices in England (including, as of the date of this Agreement, its branch at 8 Princes Street, London EC2R 8HL, England) and the Issuer undertakes that, in the event of its ceasing to have such a branch or other office in England, it shall promptly appoint another Person as its agent for that purpose. Failing this, the Security Agent may appoint an agent for this purpose; *provided* that the Issuer may thereafter appoint a replacement therefor. This Clause does not affect any other method of service allowed by Applicable Law.
- 40.6 The Issuer agrees, without prejudice to the enforcement of a judgment obtained in the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgment or order originally of the High Court of Justice of England and Wales) according to the provisions of Article 54 of the International Private and Procedural Law of Turkey (Law No. 5718), that in the event that any action is brought in relation to the Issuer in a court in Turkey in connection with this Agreement, in addition to other permissible legal evidence pursuant to the Civil Procedure Code of Turkey (Law No. 6100), any judgment obtained in such courts in connection with such action shall (in addition to other evidence) constitute conclusive evidence of the existence and amount of the claim against the Issuer pursuant to the provisions of the first sentence of Article 193 of the Civil Procedure Code of Turkey (Law No. 6100) and Articles 58 and 59 of the International Private and Procedural Law of Turkey (Law No. 5718).
- 40.7 To the extent that any party hereto may in any jurisdiction claim for itself or its assets or revenues any immunity in relation to any Proceedings, including, without limitation, immunity from the jurisdiction of any court or tribunal, suit, service of process, injunctive or other interim relief, any order for specific performance, any order for recovery of land, any attachment (whether in aid of execution, before judgment or otherwise), any process for execution of any award or judgement or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to such party or its assets or revenues, each party hereto agrees not to claim and irrevocably waives such immunity to the full extent permitted by the Applicable Laws of such jurisdiction.

41. Counterparts and Invalidity

This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

If any provision in or obligation under this Agreement is or becomes invalid, illegal or unenforceable in any respect under the Applicable Law of any jurisdiction, that will not affect or impair: (a) the validity, legality or enforceability under the Applicable Law of that jurisdiction of any other provision in or obligation under this Agreement and (b) the validity, legality or enforceability under the Applicable Law of any other jurisdiction of that or any other provision in or obligation under this Agreement.

Schedule 1

Terms and Conditions of the Covered Bonds

TERMS AND CONDITIONS OF THE COVERED BONDS

The following is the text of the Terms and Conditions of the Covered Bonds that, unless otherwise agreed by the Issuer and the relevant Dealer(s) or investor(s) at the time of issue, will be incorporated by reference into, or be attached to, each Global Covered Bond and Definitive Covered Bond (each as defined below), in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer(s) or investor(s) at the time of issue but, if not so permitted and agreed, such Definitive Covered Bond will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Covered Bond and Definitive Covered Bond. Reference should be made to “Form of Applicable Final Terms” for a description of the content of the Final Terms, which will specify which of such terms are to apply in relation to the relevant Covered Bonds.

Terms and Conditions of the Covered Bonds

This Covered Bond is one of a Series (as defined below) of Covered Bonds issued by Türkiye İş Bankası A.Ş. (the “*Issuer*”) pursuant to the Agency Agreement (as defined below).

References to “Covered Bonds” in these Terms and Conditions (these “*Conditions*”) shall, unless the context otherwise requires, be references to the Covered Bonds of this Series and mean: (a) in relation to any covered bonds represented by a global covered bond (a “*Global Covered Bond*”), such Global Covered Bond or any nominal amount thereof of a Specified Denomination, whether such Global Covered Bond is in bearer form (a “*Bearer Global Covered Bond*”) or registered form (a “*Registered Global Covered Bond*”), and (b) in relation to any definitive covered bonds in bearer form (the “*Bearer Definitive Covered Bonds*”) and, with Bearer Global Covered Bonds, the “*Bearer Covered Bonds*”) or registered form (the “*Registered Definitive Covered Bonds*”) and, with Bearer Definitive Covered Bonds, the “*Definitive Covered Bonds*”) (Registered Definitive Covered Bonds and Registered Global Covered Bonds being collectively the “*Registered Covered Bonds*”), such definitive Covered Bonds in bearer or, as the case may be, registered form.

The Covered Bonds and the Coupons (as defined below) have the benefit of an amended and restated agency agreement dated 5 May 2020 (such agreement as further amended, supplemented and/or restated from time to time, the “*Agency Agreement*”) and made among the Issuer, The Bank of New York Mellon, London Branch, as fiscal agent (including as principal paying agent) and exchange agent (the “*Fiscal Agent*” and the “*Exchange Agent*,” which expressions shall, respectively, include any successor fiscal agent and exchange agent) and the other paying agents named therein (with the Fiscal Agent, the “*Paying Agents*,” which expression shall include any additional or successor paying agents), The Bank of New York Mellon SA/NV, Luxembourg Branch, as transfer agent (with the Registrar (as defined below), the “*Transfer Agents*,” which expression shall include any additional or successor transfer agents) and registrar (the “*Registrar*,” which expression shall include any successor registrar).

If so specified in the applicable Final Terms, the Issuer will also appoint a calculation agent with respect to a Series of Covered Bonds (the “*Calculation Agent*,” which expression shall include any successor calculation agent and any other calculation agent specified in such Final Terms).

Bearer Definitive Covered Bonds have interest coupons (“*Coupons*”). In addition, Bearer Definitive Covered Bonds that, when issued, have more than 27 interest payments remaining have talons for further Coupons (“*Talons*”) attached on issue. Any reference herein to Coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons. Bearer Definitive Covered Bonds repayable in instalments have Receipts for the payment of the instalments of principal (other than the final instalment) attached on issue. Registered Covered Bonds and Bearer Global Covered Bonds do not have Coupons or Talons attached on issue.

The final terms for this Covered Bond (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Covered Bond and complete these Conditions. References to the “applicable Final Terms” are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Covered Bond.

Any reference to a “*Covered Bondholder*” or “*holder*” in relation to a Covered Bond means: (a) in the case of a Bearer Covered Bond, the holder of such Covered Bond, and (b) in the case of a Registered Covered Bond, the Person(s) in whose name such Covered Bond is registered in the Register (as defined below), and shall, in relation to any Covered Bonds represented by a Global Covered Bond, be construed as provided below.

Any reference herein to a “*Couponholder*” means the holder of a Coupon and shall, unless the context otherwise requires, include the holder of the related Talon(s).

As used herein, “*Tranche*” means an issue of Covered Bonds using the same Final Terms and that are identical in all respects (including as to listing and admission to trading); *provided* that such may have different principal amounts, holder(s), serial numbers and (if applicable) securities codes, and “*Series*” means a Tranche of Covered Bonds together with any other Tranche(s) of Covered Bonds: (a) that are expressed in the applicable Final Terms to be consolidated and form a single series with one or more previous Tranche(s) and (b) the terms and conditions of which are identical in all respects except for their respective issue dates (each an “*Issue Date*”), Tranche number, date of consolidation with one or more other Tranche(s), principal amounts, Interest Commencement Dates and Issue Prices, each as specified in the applicable Final Terms.

The Covered Bondholders and the Couponholders are entitled to the benefit of a deed of covenant dated 30 April 2018 and made by the Issuer (such deed as amended, restated and/or supplemented from time to time, the “*Deed of Covenant*”). The original of the Deed of Covenant is held by the common depository for Euroclear Bank SA/NV (“*Euroclear*”) and Clearstream Banking S.A. (“*Clearstream, Luxembourg*”).

Copies of the Agency Agreement, a deed poll dated 30 April 2018 and made by the Issuer (such deed poll as amended, restated and/or supplemented from time to time, the “*Deed Poll*”), the Deed of Covenant, the applicable Final Terms of the applicable Tranche of Covered Bonds and (other than the Final Terms for other Series, the Subscription Agreement for this or any other Series and the Programme Agreement) the other Transaction Documents may be inspected during normal business hours at the specified office of each of the Fiscal Agent, the other Paying Agents, the Registrar, the Exchange Agent and the other Transfer Agents (such agents being together referred to as the “*Agents*”). The Covered Bondholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Deed Poll, the Deed of Covenant, the Security Assignment, the Security Agency Agreement, the Calculation Agency Agreement, the applicable Final Terms, the Cover Monitor Agreement, the Hedging Agreements and the other Transaction Documents. The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Each Covered Bondholder, Receiptholder and Couponholder, by reason of holding one or more Covered Bonds, Receipts or Coupons (as applicable): (a) recognises the Security Agent as its representative in relation to the Transaction Security Documents and the Security Agency Agreement, acting in its name and on its behalf, (b) agrees to be bound by the terms of the Transaction Security Documents and the Security Agency Agreement as if such Covered Bondholder, Receiptholder or Couponholder were a party thereto and (c) acknowledges and accepts the terms of the appointment of the Security Agent as set out in the Security Agency Agreement and all of the provisions of the Security Agency Agreement relating to the exercise by the Security Agent of its powers, trusts, authorities, duties, rights and discretions contained therein.

Except where the context otherwise requires, capitalised terms used and not otherwise defined in these Conditions shall bear the meanings given to them in the applicable Final Terms and/or the amended and restated master definitions and construction schedule dated 5 May 2020, and signed for the purpose of identification by Mayer Brown LLP and White and Case LLP (as further amended, supplemented and/or restated from time to time, the “*Master Definitions and Construction Schedule*”), a copy of which may be obtained as described above.

Words and expressions defined in the Master Definitions and Construction Schedule or used in the applicable Final Terms shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Master Definitions and Construction Schedule and the applicable Final Terms, the applicable Final Terms shall prevail.

In these Conditions, “*euro*” means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

Any reference to “*Applicable Law*” means: (a) as to any Person, any law (including common law) executive order, decree, treaty, rule or regulation or determination of an arbitrator or a court or other governmental authority, in each case applicable to or binding upon such Person and/or any of its property or to which such Person and/or any of its property is subject, and (b) otherwise, any applicable law (including

common law), executive order, decree, treaty, rule or regulation or determination of an arbitrator or a court or other governmental authority.

By acquiring the Covered Bonds (or beneficial interests therein), investors will be deemed to have acknowledged and agreed that a credit rating thereof is an assessment of credit and does not address other matters that might be of relevance to such investors, including, without limitation, whether any action proposed to be taken by the Issuer, the Security Agent or any other party to a Transaction Document is either: (a) permitted by the terms of the relevant Transaction Document or (b) in the best interests of, or not prejudicial to, some or all of the Covered Bondholders.

1. FORM, DENOMINATION AND TITLE

1.1. Form and Denomination

The Covered Bonds are either Bearer Covered Bonds or Registered Covered Bonds as specified in the applicable Final Terms, will be numbered serially with an identifying number that the Issuer will procure to be recorded on the relevant Covered Bond and, in the case of Registered Covered Bonds, in the register of holders of the Registered Covered Bonds maintained by the Registrar outside of the United Kingdom (the “*Register*”) and shall be in the Specified Currency and Specified Denomination, in each case, as specified in the applicable Final Terms. Covered Bonds of one Specified Denomination may not be exchanged for Covered Bonds of another Specified Denomination and Bearer Covered Bonds may not be exchanged for Registered Covered Bonds and *vice versa*.

The Covered Bonds are issued pursuant to the Capital Markets Law, the Covered Bonds Communiqué and other Turkish Covered Bonds Law, as applicable.

This Covered Bond may be a Fixed Rate Covered Bond, a Floating Rate Covered Bond or a combination thereof, depending upon the “Interest Basis” specified in the applicable Final Terms. In addition, a Covered Bond may be an Instalment Covered Bond if so specified in the applicable Final Terms.

Bearer Definitive Covered Bonds are issued with Coupons attached. Bearer Definitive Covered Bonds that are Instalment Covered Bonds are issued with Receipts and references to Receipts and Receiptholders in these Conditions are only applicable to such Bearer Definitive Covered Bonds.

1.2. Title to the Covered Bonds

Subject as set out below, title to the Bearer Covered Bonds, Receipts and Coupons will pass by delivery and title to the Registered Covered Bonds will pass upon registration of transfer in the Register in accordance with the provisions of the Agency Agreement. The Issuer and each of the Agents will (except as otherwise required by Applicable Law) deem and treat the bearer of any Bearer Covered Bond, Receipt or Coupon and the registered holder of any Registered Covered Bond as the absolute owner thereof (whether or not overdue and regardless of any notice of ownership, trust or any other interest or any writing on, or the theft or loss of, such Covered Bond) for all purposes but, in the case of any Global Covered Bond, without prejudice to the provisions set out in the following paragraphs of this Condition 1.2.

For so long as the Depository Trust Company (“*DTC*”) or its nominee is the registered holder of a Registered Global Covered Bond, *DTC* or such nominee, as the case may be, will be considered the sole owner and holder of the Covered Bonds represented by such Registered Global Covered Bond for all purposes under the Transaction Documents except to the extent that in accordance with *DTC*’s published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through *DTC*’s participants. The expressions “Covered Bondholder” and “holder of Covered Bonds” and related expressions shall, for the purposes of any such Registered Global Covered Bond, be construed accordingly.

Subject to the preceding paragraph, for so long as any of the Covered Bonds is represented by a Global Covered Bond deposited with and, in the case of a Registered Global Covered Bond, registered in the name of a clearing system (or a nominee thereof for a common depository or a common safekeeper thereof), each Person (other than a clearing system or a nominee, common depository or common

safekeeper thereof) who is for the time being shown in the records of such clearing system as the holder of a particular principal amount of such Global Covered Bond (in which regard any certificate or other document issued by such clearing system as to the principal amount of such Global Covered Bond standing to the account of any Person shall be conclusive and binding for all purposes except in the case of manifest or proven error) shall, upon receipt of such certificate or other document by the Issuer or an Agent, be treated by the Issuer or such Agent (as applicable) as if such Person were the holder of such principal amount of such Covered Bonds (and the bearer or registered holder of such Global Covered Bond shall be deemed not to be the holder) for all purposes other than with respect to the payment of principal or interest on such Global Covered Bond, for which purpose the bearer of such Bearer Global Covered Bond or, as applicable, the registered holder of such Registered Global Covered Bond shall be treated by the Issuer and each Agent as the holder of such principal amount of such Covered Bonds in accordance with and subject to the terms of such Global Covered Bond. The expressions “*Covered Bondholder*” and “*holder of Covered Bonds*” and related expressions shall, for the purposes of any Global Covered Bond described in this paragraph, be construed accordingly.

Covered Bonds that are represented by a Global Covered Bond will be transferable only in accordance with the rules and procedures for the time being of the applicable Clearing System.

2. TRANSFERS OF REGISTERED COVERED BONDS

2.1. Transfers of Interests in Registered Global Covered Bonds

Transfers of beneficial interests in Registered Global Covered Bonds will be effected by DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and (in turn) by direct and (if appropriate) indirect participants in such clearing systems acting on behalf of transferors and transferees of such beneficial interests. A beneficial interest in a Registered Global Covered Bond will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for a Definitive Covered Bond of the same Series or for a beneficial interest in another Registered Global Covered Bond of the same Series, in each case, only in the Specified Denomination(s) specified in the applicable Final Terms (and provided that the aggregate outstanding principal balance of such beneficial interest of the transferor not so transferred is an amount of at least the Specified Denomination) and only in accordance with the then-applicable rules and operating procedures of DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement, the relevant Registered Global Covered Bond and/or the applicable Final Terms. Transfers of a Registered Global Covered Bond registered in the name of a nominee for DTC shall be limited to transfers of such Registered Global Covered Bond, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor’s nominee.

2.2. Transfers of Registered Definitive Covered Bonds

Subject as provided in Condition 2.4, upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Definitive Covered Bond may be transferred in whole or in part (in the Specified Denomination(s) set out in the applicable Final Terms) (and *provided that*, if transferred in part, the Principal Amount Outstanding of that Registered Definitive Covered Bond not so transferred is an amount of at least the Specified Denomination). In order to effect any such transfer: (a) the holder(s) must: (i) surrender such Registered Definitive Covered Bond for registration of the transfer thereof (or of the relevant part of such Registered Definitive Covered Bond) at the specified office of any Transfer Agent, with the form of transfer (substantially in the form set out in the Agency Agreement, completed as appropriate) thereon duly executed by such holder(s) (or by one or more attorney(s) duly authorised in writing therefor), and (ii) complete and deliver such other certifications as may be required by the relevant Transfer Agent and (b) the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the Person(s) making the request. Any such transfer will be subject to such additional reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in the Agency Agreement).

Subject as provided in the preceding paragraph, the relevant Transfer Agent will promptly, and in any event within three business days (being for this purpose a day other than Saturday or Sunday on which commercial banks are open for business in the city in which the specified office of the relevant Transfer Agent is located) of its receipt of such a request (or such longer period as may be required to

comply with any applicable fiscal or other Applicable Laws), authenticate (or procure the authentication of) and: (x) deliver, or procure the delivery of, at its specified office to the specified transferee or (y) if so requested by the specified transferee (and then at the risk of such transferee), send by uninsured mail, to such address as such transferee may request, a new Registered Definitive Covered Bond of a like aggregate outstanding principal amount to the Registered Definitive Covered Bond (or the relevant part of the Registered Definitive Covered Bond) being transferred.

In the case of the transfer of part only of a Registered Definitive Covered Bond, a new Registered Definitive Covered Bond in respect of the balance of the Registered Definitive Covered Bond not transferred will be so authenticated and delivered or (if so requested by the transferor, and then at the risk of such transferor) sent by uninsured mail, to such transferor's address in the Register, to the transferor. No transfer of a Registered Definitive Covered Bond will be valid unless and until entered in the Register.

2.3. Costs of Registration

Covered Bondholders will not be charged by the Issuer or any of the Agents for any costs and expenses of effecting any registration of transfer of Covered Bonds in the Register as provided in this Condition 2, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer and/or any Agent may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration and/or transfer.

2.4. Covered Bondholder Establishment of Clearing of a Registered Definitive Covered Bond

For so long as any Covered Bonds of a Series are represented by a Registered Global Covered Bond, holders of Registered Definitive Covered Bonds of the same Series may (to the extent that they have established settlement through DTC, Euroclear and/or Clearstream, Luxembourg) exchange such Registered Definitive Covered Bonds for interests in the relevant Registered Global Covered Bond of the same Series at any time.

3. STATUS OF THE COVERED BONDS

3.1. Status of the Covered Bonds

The Covered Bonds and any Receipts and Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 3.2) unsecured obligations of the Issuer and (subject as provided above) rank and will (in the case of any insolvency, bankruptcy, liquidation or similar event relating to the Issuer) rank *pari passu*: (a) without any preference or priority among themselves, irrespective of their Series and Issue Date (for the purpose of clarification, each Series may have different timing for the repayment of principal and the timing and amount of interest payable), and (b) with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, in each case to the extent permitted by Applicable Laws relating to creditors' rights.

3.2. Mortgage Covered Bonds

The Covered Bonds are mortgage covered bonds (in Turkish, *ipotek teminatl  menkul kıymet*) issued in accordance with the Covered Bonds Communiqu  and subject to the terms thereof. The Covered Bonds (with any applicable Receipts and Coupons) are backed by assets forming the Cover Pool of the Issuer. In accordance with the Turkish Covered Bonds Law, by virtue of the Transaction Documents, registration of Cover Pool Assets in the Security Register and any Security Update Registration, the Covered Bonds and related Receipts and Coupons are secured by the Cover Pool (which includes all cashflows derived from the Cover Pool) and benefit from Statutory Segregation. In addition to the Cover Pool, the Covered Bonds are secured by the other Transaction Security (other than the security interest over the Agency Account).

3.3. Turkish Lira equivalent

For the purposes of determining the *pari passu* entitlement of any Covered Bondholder, Couponholder or Receiptholder to payment in the Transaction Documents, any amount that is not denominated in Turkish Lira shall be notionally converted into Turkish Lira using the Applicable Exchange Rate.

4. INTEREST

The applicable Final Terms indicate whether the Covered Bonds are Fixed Rate Covered Bonds or Floating Rate Covered Bonds.

4.1. Interest on Fixed Rate Covered Bonds

This Condition 4.1 applies to Fixed Rate Covered Bonds only. The applicable Final Terms contain provisions applicable to the determination of fixed rate interest and must be read in conjunction with this Condition 4.1 for full information on the manner in which interest is calculated on Fixed Rate Covered Bonds. In particular, the applicable Final Terms specify the Interest Commencement Date, the Rate(s) of Interest, the Interest Payment Date(s) (each such date, an “*Interest Payment Date*” for the purpose of such Fixed Rate Covered Bonds), the Final Maturity Date, the Extended Final Maturity Date (if any), the Fixed Coupon Amount, any applicable Broken Amount, the Calculation Amount, the Day Count Fraction and any applicable Determination Date.

Each Fixed Rate Covered Bond bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date at the rate(s) *per annum* equal to the applicable Rate(s) of Interest. Interest on Fixed Rate Covered Bonds will, subject as provided in these Conditions, be payable in arrear on the applicable Interest Payment Date(s) in each year up to (and including) the Final Maturity Date or Extended Final Maturity Date, as applicable.

In the case of Definitive Covered Bonds, the Interest Amount payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) such date will amount, where a “Fixed Coupon Amount” is specified in the applicable Final Terms, to the Fixed Coupon Amount so specified; *provided* that the Interest Amount payable on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

Except in the case of Definitive Covered Bonds where an applicable Fixed Coupon Amount (and, if applicable, a Broken Amount) is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the then-applicable Rate of Interest to:

- (a) in the case of Fixed Rate Covered Bonds that are represented by a Global Covered Bond, the Principal Amount Outstanding of the Fixed Rate Covered Bonds represented by such Global Covered Bond, or
- (b) in the case of Fixed Rate Covered Bonds in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction. The resultant figure (including the application of any Fixed Coupon Amount or Broken Amount to the Calculation Amount in the case of Fixed Rate Covered Bonds in definitive form) shall be rounded to the nearest sub-unit of the relevant Specified Currency (with half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention with the written consent of the Issuer). Where the Specified Denomination of a Fixed Rate Covered Bond in definitive form is an amount other than the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Covered Bond shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

4.2. Interest on Floating Rate Covered Bonds

This Condition 4.2 applies to Floating Rate Covered Bonds only. The applicable Final Terms contain provisions applicable to the determination of floating rate interest and must be read in conjunction with this Condition 4.2 for full information on the manner in which interest is calculated on Floating Rate

Covered Bonds. In particular, the applicable Final Terms specify any Specified Interest Payment Dates, any Specified Period, the Interest Commencement Date, the Business Day Convention, any Specified Business Centres, whether ISDA Determination or Screen Rate Determination applies to the calculation of interest, the party who will calculate the amount of interest due if it is not the Fiscal Agent, the Margin, any maximum or minimum interest rates and the Day Count Fraction. Where “ISDA Determination” applies to the calculation of interest, the applicable Final Terms will also specify the applicable Floating Rate Option, Designated Maturity and Reset Date. Where Screen Rate Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Reference Rate, Specified Time, Relevant Financial Centre, Interest Determination Date(s) and Relevant Screen Page.

(a) **Interest Payment Dates**

Each Floating Rate Covered Bond bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date and such interest shall be payable, subject as provided in these Conditions, in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms, or
- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, with each Specified Interest Payment Date, an “*Interest Payment Date*” for the purpose of such Floating Rate Covered Bond) that falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest shall be payable in respect of each Interest Period.

(b) **Rate of Interest**

The Rate of Interest payable from time to time in respect of Floating Rate Covered Bonds shall be determined in the manner specified in the applicable Final Terms.

(i) **ISDA Determination for Floating Rate Covered Bonds**

Where “ISDA Determination” is specified in the applicable Final Terms for a Tranche as the manner in which the Rate of Interest for such Tranche is to be determined, the Rate of Interest for such Tranche for each Interest Period shall be the relevant ISDA Rate *plus* or *minus* (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this clause (i), “*ISDA Rate*” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Fiscal Agent or the Calculation Agent, as applicable, under an interest rate swap transaction if the Fiscal Agent or the Calculation Agent, as applicable, were acting as the “Calculation Agent” (as defined in the ISDA Definitions) for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as of the Issue Date of the first Tranche of Covered Bonds of this Series (the “*ISDA Definitions*”) and under which:

- (A) the Floating Rate Option is as specified in the applicable Final Terms,
- (B) the Designated Maturity is a period specified in the applicable Final Terms, and
- (C) the relevant Reset Date is the day specified in the applicable Final Terms.

For the purposes of this clause (i), “Floating Rate,” “Floating Rate Option,” “Designated Maturity” and “Reset Date” shall have the meanings given to those terms in the ISDA Definitions.

(ii) **Screen Rate Determination for Floating Rate Covered Bonds (other than for SONIA)**

Where “Screen Rate Determination” is specified in the applicable Final Terms for a Tranche as the manner in which the Rate of Interest for such Tranche is to be determined in respect of any Reference Rate other than for SONIA, the Rate of Interest for such Tranche for each Interest Period shall, subject as provided below, be either:

- (A) if there is only one quotation on the Relevant Screen Page, the offered quotation, or
- (B) in any other case, the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate *per annum*) for the Reference Rate(s) that appear(s) on the Relevant Screen Page (or such replacement page on that service that displays the information) as of the Specified Time in the Relevant Financial Centre on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Fiscal Agent or the Calculation Agent, as applicable. If five or more of such offered quotations are available on the Relevant Screen Page, then the highest (or, if there is more than one such highest quotation, then only one of such quotations) and the lowest (or, if there is more than one such lowest quotation, then only one of such quotations) shall be disregarded by the Fiscal Agent or the Calculation Agent, as applicable, for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of clause (A) above, no such offered quotation appears or if, in the case of clause (B) above, fewer than three such offered quotations appear, in each case as at the Specified Time, then the Issuer shall request each of the Reference Banks to provide the Fiscal Agent with its offered quotation (expressed as a percentage rate *per annum*) for the Reference Rate at approximately the Specified Time in the Relevant Financial Centre on the Interest Determination Date in question. If two or more of the Reference Banks promptly so provide the Fiscal Agent with such offered quotations, then the Rate of Interest for the applicable Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Fiscal Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Fiscal Agent with an offered quotation as provided in the preceding paragraph, then the Rate of Interest for the relevant Interest Period shall be the rate *per annum* that the Fiscal Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Fiscal Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London interbank market (if the Reference Rate is LIBOR), the eurozone interbank market (if the Reference Rate is EURIBOR), the Turkish Lira interbank market (if the Reference Rate is TLREF or TRLIBOR) or the interbank market of the Relevant Financial Centre (if any other Reference Rate is used) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks promptly provide the Fiscal Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified

Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more bank(s) (which bank(s) is or are in the opinion of the Issuer suitable for the purpose) informs the Fiscal Agent it is quoting to leading banks in the London interbank market (if the Reference Rate is LIBOR), the eurozone interbank market (if the Reference Rate is EURIBOR), the Turkish Lira interbank market (if the Reference Rate is TLREF or TRLIBOR) or the interbank market of the Relevant Financial Centre (if any other Reference Rate is used) plus or minus (as appropriate) the Margin (if any); *provided* that if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, then the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

(iii) **Screen Rate Determination for Floating Rate Covered Bonds that reference SONIA**

Where “Screen Rate Determination” is specified in the applicable Final Terms for a Tranche as the manner in which the Rate of Interest for such Tranche is to be determined and the Reference Rate is specified in the applicable Final Terms as being SONIA, then:

- (A) The Rate of Interest for each Interest Accrual Period shall, subject as provided below, be Compounded Daily SONIA plus or minus (as indicated in the applicable Final Terms) the Margin.
- (B) If, in respect of any London Banking Day in the relevant Observation Period, the applicable SONIA Reference Rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then the SONIA Reference Rate in respect of such London Banking Day shall be: (1) the Bank of England’s Bank Rate (the “*Bank Rate*”) prevailing at the close of business on such London Banking Day *plus* (2) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there are more than one highest spread, then only one of those highest spreads) and the lowest spread (or, if there are more than one lowest spread, then only one of those lowest spreads).
- (C) Notwithstanding clause (B) of this Condition 4.2(b)(iii), in the event the Bank of England publishes guidance as to: (1) how the SONIA Reference Rate is to be determined or (2) any rate that is to replace the SONIA Reference Rate, then the Calculation Agent shall, to the extent that is reasonably practicable and as set forth in a direction from the Issuer in writing, follow such guidance in order to determine SONIA for purposes of the Covered Bonds and for so long as the SONIA Reference Rate is not available or has not been published by the relevant authorised distributors.
- (D) If, on any Interest Determination Date, the Rate of Interest cannot be determined by reference to any of clauses (A) to (C) of this Condition 4.2(b)(iii), then the Rate of Interest for the relevant Interest Accrual Period shall be: (1) the Rate of Interest determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period in place of the Margin or Maximum Rate of

Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period) or (2) if there is no such preceding Interest Determination Date, the initial Rate of Interest that would have been applicable to such Covered Bonds for the first scheduled Interest Period had the Covered Bonds been in issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date (and applying the Margin and, if applicable, any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first scheduled Interest Period).

- (E) If the Covered Bonds become due and payable in accordance with Condition 10, then the final Rate of Interest shall be calculated for the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the date on which the Covered Bonds become so due and payable, and such Rate of Interest shall continue to apply to the Covered Bonds for so long as interest continues to accrue thereon as provided in Condition 4.7.
- (F) As used in this Condition 4.2(b)(iii):

“*Calculation Agent*” means the Fiscal Agent or such other entity specified in the applicable Final Terms as the Person responsible for the calculation of the Rate(s) of Interest and the Interest Amount(s) or such other amounts as may be specified in the applicable Final Terms.

“*Compounded Daily SONIA*” means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the daily SONIA Reference Rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the relevant Interest Determination Date, as follows, and the resulting percentage shall be rounded if necessary to the fifth decimal place (with 0.000005 being rounded upwards),

where:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SONIA_{i-pLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

“*d*” is the number of calendar days in the relevant Interest Accrual Period,

“*d_o*” is the number of London Banking Days in the relevant Interest Accrual Period,

“*i*” is, for any Interest Accrual Period, a series of whole numbers from one to *d_o*, each representing a London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Interest Accrual Period,

“*Interest Accrual Period*” means: (a) each Interest Period and (b) any other Relevant Period,

“*London Banking Day*” or “*LBD*” means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London, England,

“*n*”, for any London Banking Day “*i*”, means the number of calendar days from and including such London Banking Day “*i*” up to but excluding the following London Banking Day,

“*Observation Look-Back Period*” is as specified in the applicable Final Terms,

“*Observation Period*” means, in respect of an Interest Accrual Period, the period from (and including) the date falling “*p*” London Banking Days prior to: (a) the first day of the relevant Interest Accrual Period to (but excluding) the date falling “*p*” London Banking Days prior to the Interest Payment Date for such Interest Accrual Period or (b) such date (if any) on which the relevant payment of interest falls due,

“*p*” is the number of London Banking Days included in the Observation Look-Back Period, as specified in the applicable Final Terms,

“*SONIA Reference Rate*,” in respect of any London Banking Day (“*LBD_x*”), is a reference rate equal to the daily Sterling Overnight Index Average (“*SONIA*”) rate for such *LBD_x* as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors, in each case on the London Banking Day immediately following such *LBD_x*, and

“*SONIA_{i-pLBD}*” means, in respect of any London Banking Day “*i*” falling in the relevant Interest Accrual Period, the SONIA Reference Rate for the London Banking Day falling “*p*” London Banking Days prior to the relevant London Banking Day “*i*.”

(c) **Minimum Rate of Interest and/or Maximum Rate of Interest**

If the applicable Final Terms for a Tranche of Floating Rate Covered Bonds specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 4.2(b) is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period for such Tranche shall be such Minimum Rate of Interest.

If the applicable Final Terms for a Tranche of Floating Rate Covered Bonds specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 4.2(b) is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period for such Tranche shall be such Maximum Rate of Interest.

A Final Terms may specify both a Minimum Rate of Interest and a Maximum Rate of Interest for a Tranche. Unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(d) **Determination of Rate of Interest and Calculation of Interest Amounts**

The Fiscal Agent or the Calculation Agent, as applicable, will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period (or any other Relevant Period).

The Fiscal Agent or the Calculation Agent, as applicable, will calculate the Interest Amount payable on the Floating Rate Covered Bonds for the relevant Interest Period (or any other Relevant Period) by applying the Rate of Interest to:

- (i) in the case of Floating Rate Covered Bonds that are represented by a Global Covered Bond, the Principal Amount Outstanding of the Covered Bonds represented by such Global Covered Bond, or
- (ii) in the case of Floating Rate Covered Bonds in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or (with the written consent of the Issuer) otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Covered Bond in definitive form is an amount other than the Calculation Amount, the Interest Amount payable in respect of such Covered Bond shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

(e) **Linear Interpolation**

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based upon the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where “ISDA Determination” is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period; *provided* that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as the Issuer, in consultation with an independent adviser acting in good faith and in a commercially reasonable manner as an expert appointed by the Issuer in its reasonable discretion, determines appropriate. For the purposes of this Condition 4.2(e) only, “Calculation Agent” shall mean the Issuer or, if so specified in the applicable Final Terms, a financial institution of international repute appointed by the Issuer at its own expense for these purposes.

“*Designated Maturity*” means, in relation to Screen Rate Determination only, the period of time designated in the Reference Rate.

4.3. Notification of Rate of Interest and Interest Amounts

In the case of Floating Rate Covered Bonds and Fixed Rate Covered Bonds in respect of which Interest Periods and Interest Amounts are specified in the applicable Final Terms as being subject to adjustment, the Fiscal Agent or the Calculation Agent, as applicable, will cause: (a) to be notified to the Issuer and any stock exchange on which the relevant Covered Bonds are for the time being listed: (i) each Interest Amount for each Interest Period and the relevant Interest Payment Date and (ii) in the case of Floating Rate Covered Bonds, the Rate of Interest, and (b) notice thereof to be published in accordance with Condition 14, in each case, as soon as practicable after their determination but in no event later than the fourth London Business Day thereafter (or, in the case of Covered Bonds where the applicable Final Terms specify the Reference Rate as being SONIA, no later than the second London Banking Day thereafter). Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange (if any) on which the relevant Covered Bonds are for the time being listed and to the Covered Bondholders in accordance with Condition 14. For the purposes of

this paragraph, the expression “*London Business Day*” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

4.4. Certificates to be Final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4 and Condition 5.8, whether by the Fiscal Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith or manifest or proven error) be binding upon the Issuer, the Fiscal Agent, the Calculation Agent (if applicable), the other Agents and all Covered Bondholders, Couponholders and Receiptholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Covered Bondholders, the Couponholders or the Receiptholders shall attach to the Fiscal Agent or, if applicable, the Calculation Agent in connection with the exercise or non-exercise by it of its powers and duties pursuant to such provisions.

4.5. Accrual of Interest

Each Covered Bond (or in the case of the redemption of part only of a Covered Bond, that part only of such Covered Bond) will cease to bear interest (if any) from (and including) the date for its redemption unless, upon due presentation thereof, payment of principal in respect of such Covered Bond is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (a) the date on which all amounts due in respect of such Covered Bond (or part thereof) have been paid, and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Covered Bond has been received by the Fiscal Agent or the Registrar, as the case may be, and notice to that effect has been given to the Covered Bondholders in accordance with Condition 14.

4.6. Day Count Fraction, Business Day Convention and other adjustments

- (a) *Day Count Fraction*

“*Day Count Fraction*” means, in respect of the calculation of an amount of interest in accordance with this Condition 4:

- (i) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:
 - (A) in the case of Covered Bonds where the number of days in the Relevant Period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “*Accrual Period*”) is equal to or shorter than the Determination Period during which the Accrual Period ends, then the number of days in such Accrual Period *divided by* the product of: (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year, or
 - (B) in the case of Covered Bonds where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, then the sum of:
 - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins *divided by* the product of: (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year, and

- (2) the number of days in such Accrual Period falling in the next Determination Period *divided by* the product of: (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year.

“*Determination Period*” means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date),

- (ii) if “Actual/Actual (ISDA)” or “Actual/Actual” is specified in the applicable Final Terms, then the actual number of days in the Interest Period or other Relevant Period, as the case may be, *divided by* 365 (or, if any portion of such period falls within a leap year, the sum of: (A) the actual number of days in that portion of the period falling in a leap year *divided by* 366 and (B) the actual number of days in that portion of the period falling in a non-leap year *divided by* 365),
- (iii) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, then the actual number of days in the Interest Period or other Relevant Period, as the case may be, *divided by* 365,
- (iv) if “Actual/365 (Sterling)” is specified in the applicable Final Terms, then the actual number of days in the Interest Period or other Relevant Period, as the case may be, *divided by* 365 or, in the case of an Interest Payment Date falling in a leap year, 366,
- (v) if “Actual/360” is specified in the applicable Final Terms, then the actual number of days in the Interest Period or other Relevant Period, as the case may be, *divided by* 360,
- (vi) if “30/360,” “360/360” or “Bond Basis” is specified in the applicable Final Terms, then the number of days in the Interest Period or other Relevant Period, as the case may be, *divided by* 360, calculated on a formula basis as follows:

(A) in the case of Fixed Rate Covered Bonds, on the basis of a year of 360 days with 12 30-day months, and

(B) in the case of Floating Rate Covered Bonds, on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“ Y_1 ” is the year, expressed as a number, in which the first day of such period falls,

“ Y_2 ” is the year, expressed as a number, in which the day immediately following the last day of such period falls,

“ M_1 ” is the calendar month, expressed as a number, in which the first day of such period falls,

“ M_2 ” is the calendar month, expressed as a number, in which the day immediately following the last day of such period falls,

“ D_1 ” is the first calendar day, expressed as a number, of such period unless such number is 31, in which case D_1 will be 30, and

“ D_2 ” is the calendar day, expressed as a number, immediately following the last day included in such period unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30,

- (vii) if “30E/360” or “Eurobond Basis” is specified in the applicable Final Terms, then the number of days in the Interest Period or other Relevant Period, as the case may be, *divided by* 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“ Y_1 ” is the year, expressed as a number, in which the first day of such period falls,

“ Y_2 ” is the year, expressed as a number, in which the day immediately following the last day of such period falls,

“ M_1 ” is the calendar month, expressed as a number, in which the first day of such period falls,

“ M_2 ” is the calendar month, expressed as a number, in which the day immediately following the last day of such period falls,

“ D_1 ” is the first calendar day, expressed as a number, of such period unless such number would be 31, in which case D_1 will be 30, and

“ D_2 ” is the calendar day, expressed as a number, immediately following the last day included in such period unless such number would be 31, in which case D_2 will be 30, and

- (viii) if “30E/360 (ISDA)” is specified in the applicable Final Terms, then the number of days in the Interest Period or other Relevant Period, as the case may be, *divided by* 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“ Y_1 ” is the year, expressed as a number, in which the first day of such period falls,

“ Y_2 ” is the year, expressed as a number, in which the day immediately following the last day of such period falls,

“ M_1 ” is the calendar month, expressed as a number, in which the first day of such period falls,

“ M_2 ” is the calendar month, expressed as a number, in which the day immediately following the last day of such period falls,

“ D_1 ” is the first calendar day, expressed as a number, of such period unless: (A) that day is the last day of February or (B) such number would be 31, in which case D_1 will be 30, and

“ D_2 ” is the calendar day, expressed as a number, immediately following the last day included in such period unless: (A) that day is the last day of February but not the Final Maturity Date or (B) such number would be 31, in which case D_2 will be 30.

(b) *Business Day Convention*

If a Business Day Convention (the “*Business Day Convention*”) is specified in the applicable Final Terms and: (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is:

- (i) in any case where Specified Periods are specified in accordance with Condition 4.2(a)(ii), the “*Floating Rate Convention*,” then such Interest Payment Date: (A) in the case of clause (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of clause (2) below shall apply *mutatis mutandis*, or (B) in the case of clause (y) above, shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event: (1) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (2) each subsequent Interest Payment Date shall be the last Business Day in the month that falls within the Specified Period after the preceding applicable Interest Payment Date occurred,
- (ii) the “*Following Business Day Convention*,” then such Interest Payment Date shall be postponed to the next day that is a Business Day,
- (iii) the “*Modified Following Business Day Convention*,” then such Interest Payment Date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day, or
- (iv) the “*Preceding Business Day Convention*,” then such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

(c) *Adjusted*

If “adjusted” is specified in the applicable Final Terms against the Interest Period for a Series of Fixed Rate Covered Bonds, then interest in respect of the relevant Interest Period shall be payable in arrear on the relevant Interest Payment Date and calculated from (and including) the preceding Interest Payment Date (or, if there is no preceding Interest Payment Date, the Interest Commencement Date) to (but excluding) such relevant Interest Payment Date, as such Interest Payment Date shall, where applicable, be adjusted in accordance with the relevant Business Day Convention and a lesser or additional (as applicable) amount of interest shall be payable by the Issuer if the actual date of payment occurs earlier or later than the originally scheduled date for payment as a result of the application of the relevant Business Day Convention.

(d) *Not Adjusted*

If “not adjusted” is specified in the applicable Final Terms against the Interest Period for a Series of Fixed Rate Covered Bonds, then interest in respect of the relevant Interest Period shall be payable in arrear on the relevant Interest Payment Date and calculated from (and including) the preceding Interest Payment Date (or, if there is no preceding Interest Payment Date, the Interest Commencement Date) to (but excluding) such relevant Interest Payment Date, with the Interest Payment Date (for the purpose of determining the date of payment only) adjusted in accordance with the relevant Business Day Convention but no lesser or additional (as applicable) amount of interest becoming due and payable by the Issuer if the actual date of payment occurs earlier or later than the originally scheduled date for payment as a result of the application of the relevant Business Day Convention.

If the Interest Period for a Series of Fixed Rate Covered Bonds is not indicated in the applicable Final Terms as “adjusted” or “not adjusted,” then it shall be deemed to be “not adjusted.”

4.7. Interest Rate and Payments from Final Maturity Date in the Event of Extension of Maturity of the Covered Bonds up to the Extended Final Maturity Date

If an Extended Final Maturity Date is specified in the applicable Final Terms as applying to a Series of Soft Bullet Covered Bonds and the Issuer does not pay any amount representing the Final Redemption Amount in respect of the relevant Series on the applicable Final Maturity Date, then the maturity of such Series of Soft Bullet Covered Bonds is automatically extended beyond such Final Maturity Date until the applicable Extended Final Maturity Date in accordance with Condition 6.9. In such circumstances, interest will continue to accrue and be payable on any unpaid Principal Amount Outstanding for such Series of Soft Bullet Covered Bonds, such interest to be payable on each Extended Series Payment Date for such Series of Soft Bullet Covered Bonds up to (and including) its Extended Final Maturity Date, subject to and in accordance with Condition 4, and the Issuer will make such payments on each relevant Extended Series Payment Date and on such Extended Final Maturity Date. The final Extended Series Payment Date for a Series shall fall on the Extended Final Maturity Date for such Series.

As provided in Clause 14 of the Agency Agreement, the Issuer shall confirm to the Covered Bondholders (in accordance with Condition 14), the Paying Agents, the Registrar (in the case of a Registered Covered Bond) and the Fiscal Agent as soon as reasonably practicable (and in any event at least five London Business Days) prior to the Final Maturity Date of a Series of Soft Bullet Covered Bonds as to whether: (a) payment will be made of all or any part of the Final Redemption Amount of the applicable Series of Soft Bullet Covered Bonds in full on their Final Maturity Date or (b) the obligation to pay all or part of the Final Redemption Amount of the applicable Series of Soft Bullet Covered Bonds on their Final Maturity Date is to be deferred until the applicable Extended Final Maturity Date (any such notice under this clause (b) being an “*Extension Notice*”). For Series of Soft Bullet Covered Bonds that are Bearer Definitive Covered Bonds, the Agency Agreement provides provisions for the delivery of additional Coupons to the extent necessary.

As provided in Clause 14 of the Agency Agreement, promptly following receipt by the Fiscal Agent of an Extension Notice with respect to a Series of Global Covered Bonds, and in any event not less than three London Business Days prior to the Final Maturity Date of such Series, the Fiscal Agent shall notify Euroclear, Clearstream, Luxembourg and/or DTC, as applicable, that: (a) payment will be made of only part or none of the Final Redemption Amount of such Series on its Final Maturity Date and (b) the obligation to pay the remaining part of the Final Redemption Amount of such Series on its Final Maturity Date shall be deferred until the applicable Extended Final Maturity Date for such Series (with, as provided in the Transaction Documents, some or all of such amount being paid earlier from the Available Funds on each applicable Extended Series Payment Date).

A failure by the Issuer to provide an Extension Notice under Clause 14 of the Agency Agreement shall not affect the validity or effectiveness of any extension of the maturity of a Series of Soft Bullet Covered Bonds to the applicable Extended Final Maturity Date in accordance with Condition 6.9 nor shall constitute an Issuer Event or Event of Default or give rise to any rights to any Secured Creditor.

Where the applicable Final Terms for a Series of Soft Bullet Covered Bonds provides that such Soft Bullet Covered Bonds are subject to an Extended Final Maturity Date, such failure to pay the Final Redemption Amount by the Issuer on the Final Maturity Date of such Series shall not constitute an Event of Default but shall (if not cured by the end of the applicable cure period) constitute an Issuer Event.

This Condition 4.7 shall only apply to Soft Bullet Covered Bonds with respect to which an Extended Final Maturity Date is specified in the applicable Final Terms.

4.8. Benchmark Discontinuation – Reference Rate Replacement

(a) *Independent Adviser*

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part(s) thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to the

Issuer determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 4.8(b)), and, in each case, an Adjustment Spread (in accordance with Condition 4.8(c)) and any other required Benchmark Amendments (in accordance with Condition 4.8(d)).

An Independent Adviser appointed pursuant to this Condition 4.8 shall act in good faith and in a commercially reasonable manner and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Fiscal Agent, the Paying Agents, the Covered Bondholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this Condition 4.8.

(b) *Successor Rate or Alternative Rate*

Notwithstanding the provisions of Condition 4.2(b), if the Issuer, following consultation with an Independent Adviser pursuant to Condition 4.8(a) and acting in good faith and in a commercially reasonable manner, determines that a Benchmark Event has occurred and that:

- (i) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 4.8(c)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Covered Bonds (subject to the subsequent operation of, and adjustment as provided in, this Condition 4.8), or
- (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 4.8(c)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Covered Bonds (subject to the subsequent operation of, and adjustment as provided in, this Condition 4.8).

(c) *Adjustment Spread*

If any Successor Rate or Alternative Rate is determined in accordance with Condition 4.8(b), then the Issuer, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, shall determine an Adjustment Spread (which may be expressed as a specific quantum of, or a formula or methodology for determining, such Adjustment Spread and, for the avoidance of doubt, may be positive, negative or zero), which Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or any component part(s) thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(d) *Benchmark Amendments*

If any Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread is determined in accordance with the foregoing provisions of this Condition 4.8 and the Issuer, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, determines: (i) that additional amendments to these Conditions and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread (such amendments, the “*Benchmark Amendments*”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4.8(e), without any requirement for the consent or approval of Covered Bondholders or Couponholders, vary these Conditions and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 4.8(d), the Issuer shall comply with the rules of any stock exchange or other relevant authority on or by which the Covered Bonds are for the time being listed or admitted to trading.

(e) *Notices, etc.*

Any Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread and the specific terms of any Benchmark Amendments, each as determined under this Condition 4.8, will be notified promptly by the Issuer to the Calculation Agent and the other Paying Agents and, in accordance with Condition 14, the Covered Bondholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

Prior to any Benchmark Amendments taking effect and no later than one London Business Day following the date of notifying the Calculation Agent of the same, the Issuer shall deliver to the Calculation Agent a certificate signed by two authorised signatories of the Issuer:

- (i) confirming: (A) that a Benchmark Event has occurred, (B) the Successor Rate or, as the case may be, the Alternative Rate and (in either case) the applicable Adjustment Spread and (C) where applicable, the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 4.8, and
- (ii) certifying that the Benchmark Amendments are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Calculation Agent shall display such certificate at its offices for inspection by the Covered Bondholders at all reasonable times during normal business hours.

The Successor Rate or Alternative Rate, the applicable Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate, the applicable Adjustment Spread and the Benchmark Amendments (if any)) be binding upon the Issuer, the Calculation Agent, the other Paying Agents, the Covered Bondholders and the Couponholders.

(f) *Survival of Original Reference Rate and Fallback Provisions*

Without prejudice to the obligations of the Issuer under Condition 4.8(a) through Condition 4.8(e), the Original Reference Rate and the fallback provisions provided for in Condition 4.2(b) will continue to apply unless and until a Benchmark Event has occurred in relation to the Original Reference Rate and the Calculation Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), the applicable Adjustment Spread and any Benchmark Amendments, in each case, in accordance with Condition 4.8(e).

If, following the occurrence of a Benchmark Event and in relation to the determination of the Rate of Interest on the relevant Interest Determination Date, no Successor Rate or Alternative Rate (as applicable) (and, in either case, the applicable Adjustment Spread) is determined and notified to the Calculation Agent pursuant to this Condition 4.8, then the Original Reference Rate will continue to apply for the purposes of determining such Rate of Interest on such Interest Determination Date, with the effect that the fallback provisions provided for in Condition 4.2(b) will (if applicable) continue to apply to such determination.

For the avoidance of doubt, the preceding paragraph shall apply to the determination of the Rate of Interest on the relevant Interest Determination Date only and the Rate of Interest applicable to any subsequent Interest Period(s) is subject to the subsequent operation of, and to adjustment as provided in, this Condition 4.8.

(g) *Defined Terms*

As used in this Condition 4.8:

“*Adjustment Spread*” means either: (i) a spread (which may be positive, negative or zero) or (ii) a formula or methodology for calculating a spread,

which, in each case, is to be applied to the Successor Rate or the Alternative Rate (as the case may be) in accordance with Condition 4.8(b) and is the spread, formula or methodology that:

- (A) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body,
- (B) in the case of a Successor Rate where no such formal recommendation as described in clause (A) has been made or in the case of an Alternative Rate, the Issuer determines, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, is recognised or acknowledged as being in customary market usage in international debt capital market transactions that reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be), or
- (C) if the Issuer determines that neither clause (A) nor clause (B) applies, the Issuer, in its discretion, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, determines to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Covered Bondholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be),

“*Alternative Rate*” means an alternative to the Original Reference Rate that the Issuer determines in accordance with Condition 4.8(b) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) for debt securities with a commensurate interest period and in the same Specified Currency as the Covered Bonds,

“*Benchmark Amendments*” has the meaning given to it in Condition 4.8(d),

“*Benchmark Event*” means, with respect to an Original Reference Rate:

- (i) the Original Reference Rate ceasing to be published or administered or ceasing to exist,
- (ii) the later of: (A) the date of a public statement by the administrator of the Original Reference Rate that it will, by a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances in which no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (B) the date falling six months prior to the specified date referred to in clause (A),
- (iii) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued,
- (iv) the later of: (A) the date of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will, by a specified date, be permanently or indefinitely discontinued and (B) the date falling six months prior to the specified date referred to in clause (A),
- (v) the later of: (A) the date of a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used (either generally or in respect of the Covered Bonds) or that its use will be subject to restrictions or adverse consequences, in each case on or

before a specified date and (B) the date falling six months prior to the specified date referred to in clause (A),

- (vi) it has, or will prior to the next Interest Determination Date, become unlawful for the Calculation Agent, any other Paying Agent or the Issuer to calculate any payments due to be made to any Covered Bondholder or Couponholder using the Original Reference Rate, or
- (vii) the making of a public statement by the supervisor of the administrator of the Original Reference Rate announcing that such Original Reference Rate is no longer representative or may no longer be used,

“*Calculation Agent*” means (except in the context of the “Calculation Agent” under the Calculation Agency Agreement) the Fiscal Agent or, for any Series, such other entity specified in the applicable Final Terms as the Person responsible for the calculation of the Rate(s) of Interest and the Interest Amount(s),

“*Independent Adviser*” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise in the international debt capital markets appointed by the Issuer, at its own expense, under Condition 4.8(a),

“*Original Reference Rate*” means the originally-specified Reference Rate used to determine the Rate of Interest (or any component part(s) thereof) in respect of any Interest Period(s) on the Covered Bonds, as specified in the applicable Final Terms,

“*Relevant Nominating Body*” means, in respect of an Original Reference Rate:

- (i) the central bank for the currency to which such Original Reference Rate relates, or any central bank or other supervisory authority that is responsible for supervising the administrator of such Original Reference Rate, or
- (ii) any working group or committee established, approved or sponsored by, chaired or co-chaired by or constituted at the request of: (A) the central bank for the currency to which such Original Reference Rate relates, (B) any central bank or other supervisory authority that is responsible for supervising the administrator of such Original Reference Rate, (C) a group of the aforementioned central banks or other supervisory authorities or (D) the Financial Stability Board or any part thereof, and

“*Successor Rate*” means a successor to or replacement of the Original Reference Rate that is formally recommended by any Relevant Nominating Body.

4.9. Defined Terms

In these Conditions:

“*Business Day*” means a day (other than, except as set forth in the applicable Final Terms, a Saturday or Sunday) that is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Specified Business Centre (other than the Trans-European Automatic Real-Time Gross Settlement Express Transfer (TARGET2) System (or any successor thereto) (the “*TARGET2 System*”)) specified in the applicable Final Terms,
- (b) if the TARGET2 System is specified as a Specified Business Centre in the applicable Final Terms, then a day on which the TARGET2 System is open, and
- (c) either: (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the

principal financial centre of the country of the relevant Specified Currency, or (ii) in relation to any sum payable in euro, a day on which the TARGET2 System is open,

“*Interest Amount*” means the amount of interest,

“*Interest Commencement Date*” means, with respect to a Tranche of Covered Bonds, the date specified as such in the applicable Final Terms from (and including) which such Covered Bonds will accrue interest, which may or may not be their Issue Date,

“*Interest Period*” for a Series means the period from (and including) an Interest Payment Date for such Series (or, in respect of the first Interest Period for such Series, its Interest Commencement Date) to (but excluding) the next (or, in respect of the first Interest Period, first) Interest Payment Date for such Series,

“*Reference Banks*” means: (a) in the case of a determination of LIBOR, the principal London office of four major banks in the London interbank market, (b) in the case of a determination of EURIBOR, the principal eurozone office of four major banks in the eurozone interbank market, and (c) in the case of a determination of TLREF or TRLIBOR, the principal İstanbul office of four major banks in the Turkish Lira interbank market, in each case, as selected by the Issuer or as otherwise specified in the applicable Final Terms,

“*Reference Rate*” means, unless otherwise specified in the applicable Final Terms: (a) the London interbank offered rate (“*LIBOR*”), (b) the eurozone interbank offered rate (“*EURIBOR*”), (c) the Turkish Lira overnight reference rate (“*TLREF*”), (d) the Turkish Lira interbank offered rate (“*TRLIBOR*”) or (e) SONIA, in each case, as specified in the applicable Final Terms,

“*Relevant Period*” for a Series means the period from (and including) an Interest Payment Date for such Series (or, if none, the Interest Commencement Date for such Series) to (but excluding) the relevant payment date,

“*Relevant Screen Page*,” in respect of Floating Rate Covered Bonds to which Screen Rate Determination applies, has the meaning given to that term in the applicable Final Terms,

“*Screen Rate Determination*” means, if specified as applicable in the applicable Final Terms, the manner in which the Rate of Interest on Floating Rate Covered Bonds is to be determined in accordance with Condition 4.2(b)(ii),

“*Specified Time*” means, with respect to a Tranche of Covered Bonds, the time specified as such in the applicable Final Terms, and

“*sub-unit*” means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

5. PAYMENTS

5.1. Method of Payment

Except as provided in this Condition 5 below, payments in a Specified Currency will be made by credit or transfer to an account in the relevant Specified Currency (or any account to which such Specified Currency may be credited or transferred) maintained by the payee or, at the option of the payee, by a cheque in such Specified Currency drawn on a bank that processes payments in the Specified Currency.

Payments in respect of principal and interest on the Covered Bonds will be subject in all cases to: (a) any fiscal or other Applicable Laws applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7, and (b) any withholding or deduction (“*FATCA Withholding Tax*”) required pursuant to FATCA.

In these Conditions, “*FATCA*” means: (a) an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “*Code*”), (b) Sections 1471 through 1474 of the Code, (c) any regulations or agreements thereunder or official interpretations thereof, (d) any

intergovernmental agreement between the United States and any other governmental authority entered into in connection with the implementation of the foregoing or (e) any Applicable Law, rule or official practice implementing such an intergovernmental agreement.

5.2. Presentation of Bearer Definitive Covered Bonds, Receipts and Coupons

Notwithstanding any other provision of these Conditions to the contrary, payments of principal in respect of a Bearer Definitive Covered Bond will (subject as provided below in this Condition 5.2) be made in the manner provided in Condition 5.1 only against surrender (or, in the case of part payment of any sum due, presentation and endorsement) of the applicable Receipt and/or such Bearer Definitive Covered Bond, and payments of interest in respect of a Bearer Definitive Covered Bond will (subject as provided below) be made as aforesaid only against surrender (or, in the case of part payment of any sum due, presentation and endorsement) of the applicable Coupon(s), in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Payments of instalments (if any) of principal on a Bearer Definitive Covered Bond other than the final instalment will (subject as provided below) be made in accordance with Condition 5.1 only against presentation and surrender (or, in the case of part of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment on a Bearer Definitive Covered Bond will be made in accordance with Condition 5.1 only against presentation and surrender (or, in the case of part of any sum due, endorsement) of the applicable Bearer Definitive Covered Bond in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the Bearer Definitive Covered Bond to which it appertains. If any Bearer Definitive Covered Bond is redeemed or becomes repayable prior to the stated maturity thereof, then principal will be payable in accordance with Condition 5.1 only against presentation and surrender (or, in the case of part payment of any sum, endorsement) of such Bearer Definitive Covered Bond together with all unmatured Receipts appertaining thereto. Receipts presented without the Bearer Definitive Covered Bond to which they appertain and unmatured Receipts do not constitute valid obligations of the Issuer. On the date on which any Bearer Definitive Covered Bond becomes due and payable (subject, where applicable, to any extension of a Series of Soft Bullet Covered Bonds), unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect of them.

Fixed Rate Covered Bonds in definitive bearer form (other than Long Maturity Covered Bonds) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 7.2(a)) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Bearer Definitive Covered Bond becoming due and repayable prior to its Final Maturity Date (or, as the case may be, Extended Final Maturity Date), all unmatured Receipts, Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

If the due date for redemption of any Bearer Definitive Covered Bond is not an Interest Payment Date, then interest (if any) accrued in respect of such Bearer Definitive Covered Bond from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of such Bearer Definitive Covered Bond.

A “*Long Maturity Covered Bond*” is a Fixed Rate Covered Bond (other than a Fixed Rate Covered Bond that on issue had a Talon attached) whose principal amount on issue is less than the aggregate interest payable thereon; *provided* that such Covered Bond shall cease to be a Long Maturity Covered Bond on the Interest Payment Date (or, if applicable Extended Series Payment Date) on which the

aggregate amount of interest remaining to be paid thereon after that date is less than the principal amount of such Covered Bond.

5.3. Payments in Respect of Bearer Global Covered Bonds

Payments of principal and interest (if any) in respect of Covered Bonds represented by any Bearer Global Covered Bond will (subject as provided below) be made in the manner specified in Condition 5.2 in relation to Bearer Definitive Covered Bonds or otherwise in the manner specified in the relevant Bearer Global Covered Bond, where applicable against surrender or, as the case may be, presentation and endorsement, of such Bearer Global Covered Bond at the specified office of any Paying Agent outside the United States. A record of each payment, distinguishing between any payment of principal and any payment of interest, will be made on such Bearer Global Covered Bond either by the Paying Agent to which it was presented or in the records of Euroclear or Clearstream, Luxembourg, as applicable.

5.4. Payments in Respect of Registered Covered Bonds

Payments of principal to redeem a Registered Covered Bond (whether or not in global form) in full will be made against surrender of such Registered Covered Bond at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Specified Account of the holder (or the first named of joint holders) of such Registered Covered Bond appearing in the Register at: (a) where in global form and held under the “new safekeeping structure” for registered global securities that are intended to constitute eligible collateral for Eurosystem monetary policy operations (the “NSS”), the close of the business day (being for this purpose a day other than Saturday or Sunday on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date, and (b) in all other cases, the close of business at the specified office of the Registrar on the 15th day before the relevant due date (or, if such 15th day is not a day on which banks are open for business in the city in which the specified office of the Registrar is located, then the first such day prior to such 15th day) (in each case, the “Record Date”). Notwithstanding the previous sentence, if: (i) a holder does not have a Specified Account or (ii) the principal amount of such Registered Covered Bond is less than US\$250,000 (or its approximate equivalent in any other Specified Currency), then payment may instead be made by a cheque in the Specified Currency drawn on a Designated Bank. For these purposes, “Specified Account” means the account maintained by a holder with a Designated Bank and identified as such in the Register and “Designated Bank” means any bank that processes payments in such Specified Currency.

Except as set forth in the next and final sentences of this paragraph, payments of interest and (except upon redemption in full) principal in respect of a Registered Covered Bond (whether or not in global form) will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city in which the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of such Registered Covered Bond appearing in the Register at the close of business on the relevant Record Date at the address of such holder shown in the Register on such Record Date and at such holder’s risk. Upon application of such holder to the specified office of the Registrar not less than three business days in the city in which the specified office of the Registrar is located before the due date for any payment of interest or any such payment of principal in respect of a Registered Covered Bond, such payment will be made by transfer on the due date in the manner provided in the preceding paragraph for the final payment of principal on the applicable Registered Covered Bond. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) and principal in respect of such Registered Covered Bond that become payable to the holder thereof who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of a Registered Covered Bond on redemption will be made in the same manner as the final payment of the principal of such Registered Covered Bond as described in the preceding paragraph.

Holders of Registered Covered Bonds will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Covered Bond as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by any Agent in respect of any payments of

principal or interest in respect of the Registered Covered Bonds, except as provided in Conditions 5.8 and 5.9.

All amounts payable to DTC or its nominee as registered holder of a Registered Global Covered Bond in respect of Covered Bonds denominated in a Specified Currency other than U.S. dollars shall be paid by transfer by the Fiscal Agent to an account of the Exchange Agent in the relevant Specified Currency on behalf of DTC or its nominee for conversion into and payment in U.S. dollars in accordance with the provisions of the Agency Agreement and Condition 5.9.

None of the Issuer or any of the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Covered Bonds or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

5.5. General Provisions Applicable to Payments

Except as provided in the Deed of Covenant, the registered holder of a Registered Global Covered Bond or the holder of a Bearer Global Covered Bond shall be the only Person entitled to receive payments in respect of the Covered Bonds represented by such Global Covered Bond and the Issuer will be discharged by payment to, or to the order of, such holder in respect of each amount so paid. Each of the Persons shown in the records of DTC, Euroclear or Clearstream, Luxembourg, as the case may be, as the beneficial owner of a particular principal amount of Covered Bonds represented by a Global Covered Bond must look solely to DTC, Euroclear or Clearstream, Luxembourg, as the case may be, for such Person's share of each payment so made by or on behalf of the Issuer to, or to the order of, the registered holder of a Registered Global Covered Bond or the holder of a Bearer Global Covered Bond. Except as provided in the Deed of Covenant, no Person other than the registered holder of a Registered Global Covered Bond or the holder of a Bearer Global Covered Bond shall have any claim against the Issuer in respect of any payments due on such Global Covered Bond.

Notwithstanding the provisions of Conditions 5.2 and 5.3, if any amount of principal and/or interest in respect of Bearer Covered Bonds is payable in U.S. dollars, then such payments will be made at the specified office of a Paying Agent in the United States only if:

- (a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Covered Bonds in the manner provided above when due,
- (b) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars, and
- (c) such payment is then permitted under United States Applicable Law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

5.6. Payment Day

If the date for payment of any amount in respect of any Covered Bond, Receipt or Coupon is not a Payment Day, then the holder thereof shall not be entitled to payment of the relevant amount due until the next Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

For these purposes:

“*Payment Day*” means any day (other than, except as set forth in the applicable Final Terms, a Saturday or Sunday) that (subject to Condition 8) is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (i) London (unless otherwise specified in the applicable Final Terms),
 - (ii) in the case of Definitive Covered Bonds only, the relevant place of presentation, and
 - (iii) any Specified Financial Centre (other than the TARGET2 System) specified in the applicable Final Terms,
- (b) if the TARGET2 System is specified as a Specified Financial Centre in the applicable Final Terms, a day on which the TARGET2 System is open,
- (c) either: (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency, or (ii) in relation to any sum payable in euro, a day on which the TARGET2 System is open (in each of clauses (i) and (ii), disregarding any elections to receive payment in a different currency pursuant to Conditions 5.8 and 5.9), and
- (d) in the case of any payment in respect of a Global Covered Bond, a day on which DTC, Euroclear and/or Clearstream, Luxembourg, as the case may be, settle(s) payments in the applicable Specified Currency (or, with respect to DTC, U.S. dollars).

“*Relevant Clearing System*” means: (a) Clearstream, Luxembourg, (b) Euroclear, (c) DTC and/or (d) any other clearing system(s) in which the relevant Covered Bonds are held from time to time.

5.7. Interpretation of Principal and Interest

Any reference in these Conditions to principal in respect of a Covered Bond shall be deemed to include, as applicable:

- (a) any Additional Amounts that may be payable with respect to such principal under Condition 7.1,
- (b) the Final Redemption Amount of such Covered Bond,
- (c) the Early Redemption Amount of such Covered Bond,
- (d) the Optional Redemption Amount(s) (if any) of such Covered Bond,
- (e) any premium and any other amounts (other than interest) that may be payable by the Issuer under or in respect of such Covered Bond, and
- (f) in relation to Instalment Covered Bonds, the Instalment Amounts.

Any reference in these Conditions to interest in respect of the Covered Bonds shall be deemed to include, as applicable, any Additional Amounts that may be payable with respect to such interest under Condition 7.1.

5.8. U.S. Dollar Exchange and Payments on Turkish Lira-denominated Covered Bonds held other than through DTC

- (a) If “USD Payment Election” is specified in the applicable Final Terms as being applicable, the Specified Currency set out in such Final Terms is Turkish Lira and interests in the Covered Bonds are not represented by a Registered Global Covered Bond registered in the name of DTC (or a nominee thereof) or by a Global Covered Bond held under the NSS, then the holder thereof (determined as of the applicable Record Date in the case of Registered Covered Bonds) may, no more than 14 days and no less than five Business Days before the due date (the “*Relevant Payment Date*”) for the next payment of interest and/or principal on such Covered Bond (such period, the “*USD Election Period*”), give an irrevocable election to any Paying Agent (in the case of Bearer Covered Bonds) or the Registrar (in the case of Registered Covered Bonds) to receive such payment in U.S. dollars instead of Turkish Lira (a “*USD Payment Election*”). Upon its receipt of such an election, the relevant Paying Agent or the Registrar (as applicable) shall notify the Fiscal Agent on the Business Day following each USD Election Period of the USD Payment Elections made by the Covered Bondholders during such USD Election Period and, upon its receipt of such notification, the Fiscal Agent shall notify the Exchange Agent of the proportion of such interest and/or principal in respect of the Covered Bonds due on the Relevant Payment Date (as defined below) that is payable to Covered Bondholders who have given a USD Payment Election (the “*Lira Amount*”).

Upon receipt of the Lira Amount from the Issuer and by no later than 11:00 a.m. (London time) on such Relevant Payment Date, the Fiscal Agent shall transfer the Lira Amount to the Exchange Agent. Following receipt of the Lira Amount from the Fiscal Agent, the Exchange Agent shall provide for the Lira Amount to be converted into U.S. dollars in the manner provided in Condition 5.8(b) and then to be transferred to the Fiscal Agent for onward payment to the holders of such Covered Bond on such Relevant Payment Date in accordance with the provisions of this Condition 5.8 and Clause 5 of the Agency Agreement.

If the Fiscal Agent receives cleared funds from the Issuer in respect of Turkish Lira-denominated Covered Bonds held other than through DTC after the time noted in the previous paragraph, then the Fiscal Agent shall transfer the Lira Amount to the Exchange Agent for conversion into U.S. dollars as soon as reasonably practicable and, following such conversion, the Exchange Agent shall transfer such U.S. dollar amounts to the Fiscal Agent and the Fiscal Agent shall use reasonable efforts to pay any U.S. dollar amounts that Covered Bondholders have elected to receive in respect of such funds as soon as reasonably practicable thereafter.

Each USD Payment Election of a Covered Bondholder will be made only in respect of the immediately following payment of interest and/or principal on the Covered Bonds the subject of such USD Payment Election and, unless a USD Payment Election is given in respect of each subsequent payment of interest and principal on those Covered Bonds, such payments will be made in Turkish Lira.

- (b) Upon receipt of the Lira Amount from the Fiscal Agent pursuant to Condition 5.8(a), the Exchange Agent shall purchase U.S. dollars with the Lira Amount for settlement on the Relevant Payment Date at a purchase price calculated on the basis of its own internal foreign exchange conversion procedures, which conversion shall be conducted in a commercially reasonable manner and on a similar basis to that which the Exchange Agent would use to effect such conversion for its customers (such rate, taking into account any spread, fees, commissions or charges on foreign exchange transactions customarily charged by it in connection with such conversion, the “*Relevant Exchange Rate*”).
- (c) For the purposes of this Condition 5.8, neither the Exchange Agent nor the Issuer shall be liable to any Covered Bondholder, the Issuer or any third party for any losses whatsoever resulting from application by the Exchange Agent of the Relevant Exchange Rate. The Exchange Agent may rely conclusively on the basis on which its internal foreign exchange conversion rate (including, for the avoidance of doubt, any third party indices forming the basis for such conversation rates) for settlement has been determined and shall not be liable for losses associated with the basis for determination of such rate.

Each Agent shall be entitled to rely, without further investigation or enquiry, on any notification or irrevocable elections received by it or provided to it (including, without limitation, any calculation in respect of the Lira Amount) pursuant to this Condition 5.8 and shall not be liable to any party for any losses whatsoever resulting from acting in accordance with such notifications or irrevocable instructions or calculations even though, subsequent to its acting, it may be found that there was some defect in the notification or irrevocable instruction or the notification or irrevocable instruction was not authentic or an error existed in the calculations.

Any foreign exchange transaction effected by the Exchange Agent will generally be a transaction to buy or sell currency between: (i) on one part, the Issuer (acting through the Fiscal Agent, as an agent of the Issuer), and (ii) on the other part, either the Exchange Agent or its affiliate (acting as principal for its own account). The Fiscal Agent as agent of the Issuer will enter into the foreign exchange transaction with the Exchange Agent or its affiliate acting as a principal for its own account, and not as an agent, fiduciary or broker on behalf of the Issuer. In the sole and absolute discretion of the Exchange Agent, the foreign exchange transaction may be transmitted by the Exchange Agent or any of its affiliates acting as principal for its own account to a sub-custodian. In forwarding certain foreign exchange transactions to the sub-custodian for execution, the Exchange Agent or its affiliate acting as principal for its own account does not, and will, not serve as agent, fiduciary or broker on behalf of the Issuer.

The Issuer's obligation to make payments on Covered Bonds the Specified Currency of which is Turkish Lira is limited to the specified Turkish Lira amount of such payments and, in the event that it fails to make any payment on such Covered Bonds in full on its due date, its obligation shall remain the payment of the relevant outstanding Turkish Lira amount and it shall have no obligation to pay any greater or other amount as a result of any change in the Relevant Exchange Rate between the due date and the date on which such payment is made in full.

- (d) Following conversion of the Lira Amount into U.S. dollars in accordance with this Condition 5.8 and the Agency Agreement, the Exchange Agent shall promptly notify the Fiscal Agent of: (i) the total amount of U.S. dollars purchased with the relevant Lira Amount (the "*USD Amount*") and (ii) the Relevant Exchange Rate at which such U.S. dollars were purchased by the Exchange Agent.
- (e) On the Relevant Payment Date, the Fiscal Agent shall give notice to the applicable Covered Bondholders in accordance with Condition 14 of the matters set out in Condition 5.8(d)(i) and (ii) in reliance on the information provided to it by the Exchange Agent in accordance with Condition 5.8(d).
- (f) If, for illegality or any other reason, it is not possible for the Exchange Agent to purchase U.S. dollars with the Lira Amount, then the Exchange Agent will promptly so notify the Fiscal Agent, which shall, as soon as practicable after receipt of such notification from the Exchange Agent, notify the applicable Covered Bondholders of such event in accordance with Condition 14 and all payments on the applicable Covered Bonds on the Relevant Payment Date will be made in Turkish Lira in accordance with this Condition 5.8 irrespective of any USD Payment Election made.
- (g) To give a USD Payment Election in respect of this Covered Bond (or a beneficial interest herein):
 - (i) if this Note is a Definitive Covered Bond, then the holder hereof must deliver at the specified office of any Paying Agent (with respect to Bearer Covered Bonds) or the Registrar (with respect to Registered Covered Bonds), on any Business Day falling within the USD Election Period, a duly signed and completed USD Payment Election in the form (for the time being current) obtainable from any specified office of any Paying Agent (the "*USD Payment Election Notice*") and in which such holder must specify a USD bank account to which payment is to be made under this Condition 5.8 accompanied by this Covered Bond or evidence satisfactory to the Agent concerned

that this Covered Bond will, following the delivery of the USD Payment Election, be held to the Fiscal Agent's order or under its control until the applicable U.S. dollar payment is made, and

- (ii) if this Covered Bond is a Global Covered Bond, then the holder of an interest in this Global Covered Bond must, on any Business Day falling within the USD Election Period, give notice to any Paying Agent (with respect to Bearer Covered Bonds) or the Registrar (with respect to Registered Covered Bonds) of such exercise in accordance with the standard procedures of Euroclear or Clearstream, Luxembourg, as applicable (which may include notice being given on such holder's instruction by Euroclear or Clearstream, Luxembourg or any depository for any of them to any Paying Agent or the Registrar, as the case may be, by electronic means) in a form acceptable to Euroclear or Clearstream, Luxembourg, as applicable, from time to time.

Neither the Issuer nor any of the Agents will be liable for any delay or ultimate failure to pay the Covered Bondholders caused by any delay or failure of Euroclear, Clearstream, Luxembourg (or any of their respective direct or indirect participants) or any depository for either of them to provide payment instructions with respect to the relevant USD Payment Election.

- (h) Notwithstanding any other provision in these Conditions to the contrary: (i) all costs (including any fees, charges, commissions or spreads) of the purchase of U.S. dollars with the Lira Amount shall be borne *pro rata* by the relevant Covered Bondholders relative to the Covered Bonds of such Covered Bondholders the subject of USD Payment Elections, which *pro rata* amount will be deducted from the *pro rata* portion of the USD Amount paid to such Covered Bondholders, (ii) none of the Issuer, any Agent or any other Person shall have any obligation whatsoever to pay any related foreign exchange rate spreads, fees, charges, commissions or expenses or to indemnify any Covered Bondholder against any difference between the *pro rata* portion of the USD Amount received by such Covered Bondholder and the portion of the Lira Amount that would have been payable to the Covered Bondholder if it had not made the relevant USD Payment Election and (iii) neither the Issuer nor any Agent shall have any liability or other obligation to any Covered Bondholder with respect to the conversion into U.S. dollars of any amount paid by it to the Fiscal Agent in Turkish Lira or the payment of any U.S. dollar amount to the applicable Covered Bondholders.
- (i) Notwithstanding any provisions of these Conditions or the applicable Final Terms, in respect of any Covered Bonds that are the subject of a USD Payment Election in respect of any payment, the definition of Payment Day shall, for the purposes of such payment on the Relevant Payment Date, be deemed to include a day (other than Saturday or Sunday) on which commercial banks are not authorised or required by Applicable Law to be closed in New York City.

5.9. Payments on Covered Bonds held through DTC in a Specified Currency other than U.S. Dollars

For any Registered Global Covered Bond registered in the name of DTC or its nominee and denominated in a Specified Currency other than U.S. dollars, the holder of an interest in such Registered Global Covered Bond will receive payment in U.S. dollars unless it elects (through the applicable DTC participant and in accordance with normal DTC practice) to receive such payment in such Specified Currency in the manner specified in the Agency Agreement.

Neither the Issuer nor any of the Agents will be liable for any delay or ultimate failure to pay the Covered Bondholders caused by any delay or failure of DTC (or any of its direct or indirect participants) to provide payment instructions with respect to the relevant Specified Currency.

5.10. Redenomination

Where redenomination is specified in the applicable Final Terms as being applicable, the Issuer may, without the consent of the Covered Bondholders, the Receiptholders and the Couponholders, on giving prior written notice to the Agents and any applicable Clearing System and at least 30 days' prior notice

to the applicable Covered Bondholders in accordance with Condition 14, elect that, with effect from the Redenomination Date specified in such notice, the applicable Covered Bonds shall be redenominated in euro. In relation to any Covered Bonds for which the applicable Final Terms provides for a minimum Specified Denomination in the Specified Currency that is equivalent to at least €100,000 and that are admitted to trading on a regulated market in the European Economic Area (the “*Relevant Covered Bonds*”), it shall be a term of any such redenomination that the holder of any Covered Bonds held through Euroclear and/or Clearstream, Luxembourg must have credited to its securities account with the relevant Clearing System a minimum original nominal amount of Covered Bonds of at least €100,000 (or such larger amount as might be required by Applicable Law).

Any such redenomination election will have effect as follows:

- (a) the applicable Covered Bonds and any related Receipts shall be deemed to be redenominated in euro in the denomination of €0.01 with a principal amount for each Covered Bond and Receipt equal to the principal amount of that Covered Bond or Receipt in the Specified Currency, converted into euro at the rate for the conversion of the relevant Specified Currency (including compliance with rules relating to rounding in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to Article 123 of the treaty establishing the European Community, as amended; *provided* that if the Issuer determines, in consultation with the Fiscal Agent, that the then market practice in respect of the redenomination in euro of internationally offered securities is different from the provisions specified above, then such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the applicable Covered Bondholders, the Paying Agents and the competent listing authority, stock exchange and/or market (if any) on or by which such Covered Bonds are listed and/or admitted to trading of such deemed amendments,
- (b) except to the extent that an Exchange Notice has been given in accordance with clause (d) below, the amount of interest due in respect of the applicable Covered Bonds will be calculated by reference to the aggregate Principal Amount Outstanding of Covered Bonds held for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest €0.01,
- (c) if Definitive Covered Bonds for the applicable Series are required to be issued after the Redenomination Date, then they shall be issued at the expense of the Issuer: (i) in the case of Relevant Covered Bonds, in the denominations of €100,000 and/or such higher amounts as the Fiscal Agent may determine and notify to the applicable Covered Bondholders and any remaining amounts less than €100,000 shall be redeemed by the Issuer and paid to the applicable Covered Bondholders (for their individual accounts without sharing) in euro in accordance with Condition 6, and (ii) in the case of Covered Bonds that are not Relevant Covered Bonds, in the denominations of €1,000, €10,000, €100,000 and (but only to the extent of any remaining amounts less than €1,000 or such smaller denominations as the Fiscal Agent may approve) €0.01 and such other denominations as the Fiscal Agent may determine and notify to the applicable Covered Bondholders,
- (d) if issued prior to the Redenomination Date, all unmatured Coupons of the applicable Series denominated in the Specified Currency (whether or not attached to the Covered Bonds) will become void with effect from the date on which the Issuer gives notice (the “*Exchange Notice*”) that replacement euro-denominated Covered Bonds, Receipts and Coupons are available for exchange (*provided* that such are so available) and no payments will be made in respect of the then-existing Covered Bonds, Receipts and Coupons of such Series. The payment obligations contained in any Covered Bonds, Receipts and Coupons of such Series so issued prior to the Redenomination Date will also become void on that date although those Covered Bonds, Receipts and Coupons will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Covered Bonds, Receipts and Coupons will be issued in exchange for the applicable Covered Bonds, Receipts and Coupons denominated in the Specified Currency in such manner as the Agents may specify and as shall be notified to the applicable Covered Bondholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the applicable Covered Bonds,

- (e) after the Redenomination Date, all payments in respect of the Covered Bonds, the Receipts and the Coupons of the applicable Series will be made solely in euro as though references in such Covered Bonds, Receipts and Coupons to the Specified Currency were to euro. Payments thereon will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque,
- (f) if the applicable Covered Bonds are Fixed Rate Covered Bonds and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, then it will be calculated:
 - (i) in the case of Global Covered Bonds, by applying the Rate of Interest to the aggregate Principal Amount Outstanding of Covered Bonds represented by such Global Covered Bonds, and
 - (ii) in the case of Definitive Covered Bonds, by applying the Rate of Interest to the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Covered Bond in definitive form is an amount other than the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Covered Bond shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding,

- (g) if the applicable Covered Bonds are Floating Rate Covered Bonds, then the applicable Final Terms will specify any relevant changes to the provisions relating to interest, and
- (h) such other changes shall be made to this Condition (and the Final Terms and other Transaction Documents) as the Issuer may decide, after consultation with the Fiscal Agent, and as may be specified in the Exchange Notice, to conform it to conventions then applicable to instruments denominated in euro.

5.11. Defined Terms

In these Conditions, the following expressions have the following meanings:

“*Final Redemption Amount*” means, in respect of a Tranche of Covered Bonds, the amount specified in the applicable Final Terms.

“*Optional Redemption Amount*” has, in respect of a Tranche of Covered Bonds, the meaning (if any) given in the applicable Final Terms.

“*Rate of Interest*” has, with respect to any Tranche, the meaning given to that term in the applicable Final Terms as further elaborated by Condition 4.

6. REDEMPTION AND PURCHASE

6.1. Redemption at Maturity

Subject to Condition 6.9, and unless previously redeemed or purchased and cancelled as specified below, each Covered Bond will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in (except as provided in Conditions 5.8 and 5.9) the relevant Specified Currency on the Final Maturity Date specified in the applicable Final Terms.

The Final Maturity Date (and, if applicable, Extended Final Maturity Date) for any Series may only be scheduled to occur on an Interest Payment Date (or, if applicable, Extended Series Payment Date) for such Series as set out in the applicable Final Terms.

6.2. Redemption for Taxation Reasons

Unless provided otherwise in the applicable Final Terms, if:

- (a) as a result of any change in, or amendment to, the Applicable Laws of a Relevant Jurisdiction (as defined in Condition 7.2(b)), or any change in the application or official interpretation of the Applicable Laws of a Relevant Jurisdiction, which change or amendment becomes effective on or after the date on which agreement is reached to issue the most recently issued Tranche of Covered Bonds of this Series (which shall, for the avoidance of doubt and for the purposes of this Condition 6.2, be the date on which the applicable Final Terms is signed by the Issuer), on the next Interest Payment Date, the Issuer would be required to:
 - (i) pay Additional Amounts as provided or referred to in Condition 7, and
 - (ii) make any withholding or deduction for, or on account of, any Taxes imposed, assessed or levied by or on behalf of the Relevant Jurisdiction at a rate in excess of the applicable prevailing rates on the date on which agreement is reached to issue the most recently issued Tranche of Covered Bonds of this Series, and
- (b) such requirement cannot be avoided by the Issuer taking reasonable measures available to it,

then the Issuer may, at its option, having given not less than the minimum period and not more than the maximum period of notice specified in the applicable Final Terms to the applicable Covered Bondholders in accordance with Condition 14 (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all, but not some only, of the Covered Bonds of this Series at any time at their Early Redemption Amount together (if applicable) with all interest accrued and unpaid to (but excluding) the date of redemption. Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Fiscal Agent: (i) a certificate signed by two authorised signatories of the Issuer stating that the requirement referred to in clause (a) will apply on the next Interest Payment Date and cannot be avoided by the Issuer taking reasonable measures available to it, and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

6.3. Redemption at the Option of the Issuer (Issuer Call)

This Condition 6.3 applies to Covered Bonds that are subject to redemption prior to the Final Maturity Date (or, as applicable, Extended Final Maturity Date) at the option of the Issuer (other than for taxation reasons pursuant to Condition 6.2), such option being referred to as an “*Issuer Call*.” The applicable Final Terms contain provisions applicable to any Issuer Call and must be read in conjunction with this Condition 6.3 for full information on any Issuer Call. In particular, the applicable Final Terms identify any Optional Redemption Date(s), any Optional Redemption Amount, any minimum or maximum amount of Covered Bonds that can be redeemed and the applicable notice periods.

If “Issuer Call” is specified as being applicable in the applicable Final Terms, then the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Covered Bondholders in accordance with Condition 14 (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or (if a Minimum Redemption Amount and/or Maximum Redemption Amount is specified in the applicable Final Terms as being applicable) some only of the Covered Bonds then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Final Terms together (if applicable) with all interest accrued and unpaid to (but excluding) the relevant Optional Redemption Date. If a Minimum Redemption Amount and/or Maximum Redemption Amount is specified in the applicable Final Terms as being applicable, then any such redemption must be of a principal amount not less than such Minimum Redemption Amount and not more than such Maximum Redemption Amount; *provided* that Registered Covered Bonds (or, for Registered Global Covered

Bonds, beneficial interests therein) shall be redeemed under this Condition 6.3 only in a Specified Denomination.

In the case of a partial redemption of Covered Bonds under this Condition 6.3, the Covered Bonds to be redeemed (“*Redeemed Covered Bonds*”) will: (a) in the case of Redeemed Covered Bonds represented by Definitive Covered Bonds, be selected individually by lot not more than 30 days prior to the date fixed for redemption, and (b) in the case of Redeemed Covered Bonds represented by a Global Covered Bond, be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion) and/or DTC (such date of selection being hereinafter called the “*Selection Date*”). In the case of Redeemed Covered Bonds represented by Definitive Covered Bonds, a list of the serial numbers of such Redeemed Covered Bonds will be published in accordance with Condition 14 not less than 15 days prior to the date fixed for redemption.

No exchange of the relevant Global Covered Bond will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this Condition 6.3.

“*Optional Redemption Date*” has the meaning (if any) given in the applicable Final Terms.

6.4. Early Redemption Amounts

For the purpose of Conditions 6.2, 6.5, 6.11 and 10, each Covered Bond will be redeemed at its Early Redemption Amount calculated as follows (the “*Early Redemption Amount*”):

- (a) in the case of a Covered Bond with a Final Redemption Amount equal to the Issue Price of the first Tranche of Covered Bonds of this Series and payable in the Specified Currency of such Covered Bond, at the Final Redemption Amount thereof, or
- (b) in the case of a Covered Bond (including an Instalment Covered Bond) with a Final Redemption Amount that is or may be less or greater than the Issue Price of the first Tranche of Covered Bonds of this Series or that is payable in a Specified Currency other than that in which the Covered Bond is denominated, at the amount specified in the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its Principal Amount Outstanding.

6.5. Instalments

Instalment Covered Bonds will be redeemed in the instalment amount as specified in the applicable Final Terms (the “*Instalment Amount*”) and on the Instalment Date(s) specified in such Final Terms. In the case of early redemption of Instalment Covered Bonds, the applicable Early Redemption Amount will be determined pursuant to Condition 6.4. Instalment Dates for a Series may only be scheduled to occur on Interest Payment Dates for such Series.

6.6. General

Prior to the publication of any notice of redemption pursuant to Condition 6.2 or 6.3, the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised signatories (at the relevant time) of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions set out in Condition 6.2 or 6.3 for such right of the Issuer to arise have been satisfied and that the Issuer will have the funds in the relevant Specified Currency outside of the Republic of Turkey (“*Turkey*”), not subject to the interest of any other Persons (other than any ordinary course banker’s lien or similar encumbrance of the applicable account bank), required to fulfil its obligations hereunder in respect of the Covered Bonds to be redeemed and any amounts required under the Transaction Documents and/or the Turkish Covered Bonds Law to be paid at the same time *pari passu* with, or in priority to, such Covered Bonds (including any early termination amount or settlement amount payable to a Hedging Counterparty under a Hedging Agreement in connection with such redemption) and the Fiscal Agent shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions set out above, in which event it

shall be conclusive and binding upon all Covered Bondholders, Receiptholders and Couponholders of the applicable Series.

6.7. Purchases by the Issuer and/or its Subsidiaries

The Issuer and/or any of its Subsidiaries may at any time purchase or otherwise acquire (or have a third party do so for its benefit) Covered Bonds (or beneficial interests therein) (*provided* that, in the case of Bearer Definitive Covered Bonds, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) in any manner and at any price in the open market or otherwise, including (without limitation) in its capacity as a broker for a customer. If any such purchases or acquisitions of Covered Bonds (or beneficial interests therein) are made by tender, exchange or other process, then such tender, exchange or other process shall not be required to be available to all Covered Bondholders of the applicable Series, or in the same manner, except to the extent required by Applicable Law. Such Covered Bonds (or beneficial interests therein) (and, in the case of Bearer Definitive Covered Bonds, the related Receipts, Coupons and Talons) may be held, resold or, at the option of the Issuer or (with the Issuer's consent) any such Subsidiary (as the case may be) for those Covered Bonds held by it, surrendered to any Paying Agent and/or the Registrar for cancellation pursuant to Condition 6.8; *provided* that any such resale or surrender of a Bearer Definitive Covered Bond shall include a sale or surrender (as applicable) of all related Receipts, Coupons and Talons. The Covered Bonds so purchased or acquired, while held by or on behalf of the Issuer or any such Subsidiary, shall (except to the extent held as broker or otherwise for one or more other Person(s)) not entitle it (as the Covered Bondholder with respect thereto) to vote at any meeting of the Covered Bondholders and shall (except to the extent held as broker or otherwise for one or more other Person(s)) not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Covered Bondholders or for the purposes of Condition 15.1.

Each of the Agents, the Security Agent, the Calculation Agent and any other Secured Creditor is expressly authorised to take part in an exchange offer by the Issuer or a third party, including an exchange offer to less than all of the Covered Bondholders for all or any portion of a Series of Covered Bonds (or beneficial interests therein), and shall be held harmless for doing so. By its acquisition of a Covered Bond (or a beneficial interest therein), each investor therein agrees (or shall be deemed to agree) to the above, including that any such tender or exchange offer (or other process) need not be extended to all investors in the Covered Bonds (for example, if investors in Italy, the United States and/or some other jurisdictions were to be excluded from participating in such a tender or exchange offer or other process) (for the purpose of clarification, nothing in this paragraph alters the Issuer's or any other Person's obligation to comply with Applicable Law in connection with any such tender or exchange offer or other process and no investor in the Covered Bonds has any obligation to participate in any such tender or exchange offer or other process).

6.8. Cancellation

All Covered Bonds that are redeemed, all Global Covered Bonds which are exchanged in full, all Registered Covered Bonds that have been transferred, all Receipts or Coupons that are paid and all Talons that are exchanged will immediately be cancelled (together, in the case of Bearer Definitive Covered Bonds, with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption or cancellation). All Covered Bonds, Receipts, Coupons and Talons so cancelled shall be forwarded to the Fiscal Agent or as the Fiscal Agent may specify and cannot be reissued or resold.

In addition, the Issuer or any of its Subsidiaries may, as described in Condition 6.7, surrender to any Paying Agent or the Registrar any Covered Bonds, together (in the case of Bearer Definitive Covered Bonds) with all unmatured Receipts, Coupons or Talons (if any) relating to them or surrendered with them, and such Covered Bonds, Receipts, Coupons or Talons shall, to the extent that the Issuer indicates in writing the same to the relevant Paying Agent, be cancelled by the Paying Agent to which they are surrendered. Each of the Paying Agents shall deliver all cancelled Covered Bonds, Receipts, Coupons and Talons to the Fiscal Agent or as the Fiscal Agent may specify.

6.9. Extension of Maturity up to an Extended Final Maturity Date

If so specified in the applicable Final Terms relating to a Series of Soft Bullet Covered Bonds, the Issuer's obligations under the relevant Covered Bonds to pay their Principal Amount Outstanding on the relevant Final Maturity Date may be deferred to the applicable Extended Final Maturity Date. Such deferral will occur automatically if the Issuer does not pay the Final Redemption Amount on the relevant Final Maturity Date for such Soft Bullet Covered Bonds. Upon such automatic deferral, any amount representing the Final Redemption Amount due and remaining unpaid on the Final Maturity Date of such Series of Soft Bullet Covered Bonds may be paid by the Issuer on any Extended Series Payment Date for such Series thereafter up to (and including) the relevant Extended Final Maturity Date (or, pursuant to Condition 6.3, the Issuer may elect to redeem such Series earlier than the Extended Final Maturity Date if and to the extent permitted under the provisions of any applicable Issuer Call option). Interest will continue to accrue and be payable on any unpaid amounts on each Extended Series Payment Date for such Series up to the relevant Extended Final Maturity Date in accordance with Condition 4 and as specified in the applicable Final Terms. As provided in Condition 4.7, the Issuer shall give to the applicable Covered Bondholders, the Fiscal Agent and the Paying Agents notice of its intention to redeem all or any of the Principal Amount Outstanding of such Soft Bullet Covered Bonds.

Upon any automatic deferral described in the preceding paragraph, the Issuer shall:

- (a) without prejudice to its obligations in Schedule 1, Parts 1(c) and (d) of the Security Agency Agreement, promptly liquidate all Authorised Investments that are Cover Pool Assets (which, for the avoidance of doubt, do not include any investments that are Hedge Collateral) and Substitute Assets to the extent necessary to pay the Final Redemption Amount for such Series of Soft Bullet Covered Bonds,
- (b) deposit the proceeds of such liquidation (the "*Liquidation Proceeds*") into the relevant Designated Account(s) (such proceeds to form part of the Available Funds), and
- (c) on the Final Maturity Date for such Series and on each Extended Series Payment Date for such Series thereafter up to (and including) the relevant Extended Final Maturity Date, apply all Available Funds towards the payment of any amount representing the Final Redemption Amount due and remaining unpaid on the Final Maturity Date of such Series of Soft Bullet Covered Bonds plus accrued interest thereon; *provided* that where an Interest Payment Date (including any such date that is also an Extended Series Payment Date) of any other Series of Covered Bonds (or any payment by the Issuer under a Hedging Agreement) corresponds with such Extended Series Payment Date, the Issuer shall apply all Available Funds towards payment of amounts due and payable in respect of such Series of Soft Bullet Covered Bonds, such other Series of Covered Bonds and such Hedging Agreement(s), as applicable, on a *pro rata* basis (as a result of any such payment, the amount that otherwise would be payable to a Covered Bondholder pursuant to any purchase or redemption of the applicable Series by the Issuer, including with respect to the interest that will accrue after such payment, will be reduced).

Any extension of the maturity of Soft Bullet Covered Bonds under this Condition 6.9 shall be irrevocable. Where this Condition 6.9 applies, any non-payment of the Soft Bullet Covered Bonds on their Final Maturity Date and the resulting extension of the maturity of such Soft Bullet Covered Bonds under this Condition 6.9 shall not constitute an Event of Default for any purpose or give any Covered Bondholder, Receiptholder or Couponholder any right to receive any payment of interest, principal or otherwise on the relevant Soft Bullet Covered Bonds other than as expressly set out in these Conditions. Where this Condition 6.9 applies, any non-payment of the Soft Bullet Covered Bonds on their Final Maturity Date and the resulting extension of the maturity of such Soft Bullet Covered Bonds to their Extended Final Maturity Date under this Condition 6.9 shall (if not cured by the end of the applicable cure period) constitute an Issuer Event.

In the event of the extension of the maturity of Soft Bullet Covered Bonds under this Condition 6.9, interest rates, interest periods and interest payment dates on such Soft Bullet Covered Bonds from (and including) the Final Maturity Date of such Covered Bonds to (but excluding) their Extended Final

Maturity Date shall be determined and made in accordance with the applicable Final Terms and Condition 4.

If the Issuer redeems part and not all of the Principal Amount Outstanding of a Series of Soft Bullet Covered Bonds after the applicable Final Maturity Date, then the redemption proceeds shall be applied rateably across the Covered Bonds of such Series and the Principal Amount Outstanding on the relevant Covered Bonds shall be reduced by the level of that redemption.

6.10. Mandatory Redemption by the Administrator

Notwithstanding anything else herein or in any other Transaction Documents to the contrary, and without the consent of the Covered Bondholders, the Administrator (pursuant to Article 27(6) of the Covered Bonds Communiqué) may, with the consent of the Capital Markets Board (the “CMB”) of Turkey, determine to cause the Issuer to redeem any Series of Covered Bonds in whole or in part on one or more redemption date(s) prior to the relevant Final Maturity Date or Extended Final Maturity Date applicable to such Covered Bonds. In such case, the Administrator may perform the liquidation of the Cover Pool Assets and instruct or cause the Issuer to make an early redemption of such Covered Bonds. If so instructed or caused to make an early redemption of this Series of Covered Bonds, then the Issuer will have the right to and will, having given not less than the minimum period and not more than the maximum period of notice specified in the applicable Final Terms to the applicable Covered Bondholders in accordance with Condition 14 (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Covered Bonds of this Series (as so instructed or caused) at their Early Redemption Amount together (if appropriate) with all interest accrued and unpaid to (but excluding) the date of redemption.

7. TAXATION

7.1. Payment without Withholding

All payments of principal and interest in respect of the Covered Bonds (including with respect to the Receipts and Coupons, if any) by (or on behalf of) the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (“*Taxes*”) imposed or levied by or on behalf of any Relevant Jurisdiction unless the withholding or deduction of the Taxes is required by Applicable Law. In that event, the Issuer shall pay such additional amounts (“*Additional Amounts*”) as shall be necessary in order that the net amounts received by the holders of the Covered Bonds, Receipts or Coupons after such withholding or deduction shall equal the respective amounts that would have been receivable in respect of the Covered Bonds, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no Additional Amounts shall be payable in relation to any payment in respect of any Covered Bond, Receipt or Coupon:

- (a) presented for payment by or on behalf of a holder who is liable for Taxes in respect of the Covered Bond, Receipt or Coupon by reason of such holder having some connection with any Relevant Jurisdiction other than the mere holding of the Covered Bond, Receipt or Coupon or the receipt of payment in respect thereof,
- (b) presented for payment in Turkey, or
- (c) presented for payment more than 30 days after the Relevant Date except to the extent that a holder of the relevant Covered Bond, Receipt or Coupon would have been entitled to Additional Amounts on presenting the same for payment on the last day of such 30 day period (assuming that day to have been a Payment Day).

Notwithstanding any other provision of these Conditions or the other Transaction Documents, in no event will the Issuer, any Paying Agent or any other Person be required to pay any Additional Amounts or other amounts in respect of the Covered Bonds (including on Receipts and Coupons) for, or on account of, any withholding or deduction required pursuant to FATCA.

7.2. Defined Terms

In these Conditions:

- (a) “*Relevant Date*” means, with respect to any payment, the date on which such payment first becomes due but, if the full amount of the money payable has not been received by the Fiscal Agent on or before the due date, it means the date on which, the full amount of such money having been so received, notice to that effect has been duly given to the holder of the applicable Covered Bond by the Issuer in accordance with Condition 14, and
- (b) “*Relevant Jurisdiction*” means: (i) Turkey or any political subdivision or any authority thereof or therein having power to tax or (ii) any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it in respect of principal and interest on the Covered Bonds, Receipts or Coupons.

7.3. References to Principal and Interest

Reference is hereby made to Condition 5.7 with respect to references to principal and interest payable on the Covered Bonds.

7.4. Tax Sharing Laws

The: (a) Issuer and/or any Paying Agent may request each Covered Bondholder to provide to the Issuer and each Paying Agent (or any agent acting on any of their respective behalf) all information reasonably available to it that is reasonably requested by the Issuer and/or such Paying Agent (or any agent acting on any of their respective behalf) in connection with the Tax Sharing Laws and (b) Issuer and each of the Paying Agents (or any agent acting on any of their respective behalf) may: (i) provide such information, any related documentation and any other information concerning such Covered Bondholder’s investment in the Covered Bonds to each other and/or any relevant tax authority and (ii) take such other steps as it may deem necessary or helpful to comply with the Tax Sharing Laws; *provided* that the requirements of this paragraph shall not apply to any Covered Bondholder that is an Exempt Government Entity. For the purpose of clarification, this is applicable only to the registered Covered Bondholders (or holders of Bearer Covered Bonds) and not to holders of beneficial interests in the Covered Bonds held through Clearing Systems.

8. PRESCRIPTION

Covered Bonds (whether in bearer or registered form), Receipts and Coupons will become void unless claims in respect of principal and/or interest with respect thereto are made within a period of 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date therefor.

Without prejudice to the generality of the preceding paragraph:

- (a) the Issuer shall be discharged from its obligation to pay principal on a Registered Covered Bond (including any related Receipts) to the extent that the relevant Registered Covered Bond certificate has not been surrendered to the Registrar by, or a cheque that has been duly dispatched in the applicable currency of payment remains uncashed at, the end of the period of 10 years from the Relevant Date for such payment, and
- (b) the Issuer shall be discharged from its obligation to pay interest on a Registered Covered Bond to the extent that a cheque that has been duly dispatched in the applicable currency of payment remains uncashed at the end of the period of five years from the Relevant Date in respect of such payment.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 5.2 or any Talon that would be void pursuant to Condition 5.2.

9. **ISSUER EVENTS; CONSEQUENCES OF THE OCCURRENCE OF A CONTINUING ISSUER EVENT**

For so long as an Issuer Event, an Event of Default or (with respect to clauses (a) through (c) below) a Potential Breach of Statutory Test is continuing:

- (a) no further Covered Bonds shall be issued,
- (b) after the Issuer's detection of such Issuer Event, Event of Default or Potential Breach of Statutory Test, all amounts on deposit in the Collection Account shall be transferred by the Issuer to the TL Designated Account within two İstanbul Business Days of receipt (and, with respect to amounts in the Collection Account at the time of detection, within two İstanbul Business Days of such detection),
- (c) after the Issuer's detection of such Issuer Event, Event of Default or Potential Breach of Statutory Test, all collections of principal and interest on the Cover Pool Assets will be dedicated exclusively towards the satisfaction of all the Issuer's payment obligations towards the Secured Creditors, subject to: (i) in the case of the Other Secured Creditors, the provisions of Article 29 of the Covered Bonds Communiqué, and (ii) in all cases, the provisions of Article 13 of the Covered Bonds Communiqué, and
- (d) where Article 27(1) of the Covered Bonds Communiqué applies, an Administrator may be appointed by the CMB to manage the Cover Pool.

In the case of Soft Bullet Covered Bonds where the applicable Final Terms provide that the Issuer's obligations under the relevant Covered Bonds to pay the applicable Principal Amount Outstanding on the relevant Final Maturity Date may be deferred until the applicable Extended Final Maturity Date, the non-payment by the Issuer of the Principal Amount Outstanding on such Soft Bullet Covered Bonds on such Final Maturity Date shall not constitute an Event of Default but shall (if not cured by the end of the applicable cure period) constitute an Issuer Event.

10. **EVENTS OF DEFAULT**

10.1. **Events of Default**

An "*Event of Default*" arises if one or both of the following events occurs and is continuing:

- (a) the Issuer fails to pay any interest (or any Additional Amounts) in respect of the Covered Bonds (including with respect to the Coupons) of any Series within a period of 14 İstanbul Business Days from the due date thereof, or
- (b) on the Final Maturity Date (in the case of Covered Bonds that are not subject to an Extended Final Maturity Date) or Extended Final Maturity Date (in the case of Soft Bullet Covered Bonds that are subject to an Extended Final Maturity Date), as applicable, of any Series of Covered Bonds there is a failure to pay any amount of principal due on such Covered Bonds on such date and such default is not remedied within a period of seven İstanbul Business Days from the due date thereof.

At any time following the occurrence of any Event of Default and for so long as such Event of Default is continuing, the Security Agent acting as directed by the Covered Bondholder Representative may serve a notice of default on the Issuer (such notice, a "*Notice of Default*"), upon the Issuer's receipt of which the Principal Amount Outstanding of the Covered Bonds of each Series shall become immediately due and payable at their Early Redemption Amount as set out in the Final Terms.

In the case of Soft Bullet Covered Bonds where the applicable Final Terms provide that the Issuer's obligations under the relevant Covered Bonds to pay the applicable Principal Amount Outstanding on the relevant Final Maturity Date may be deferred until the applicable Extended Final Maturity Date, any non-payment by the Issuer of the Principal Amount Outstanding on such Soft Bullet Covered Bonds on such Final Maturity Date shall not constitute an Event of Default but shall (if not cured by the end of the applicable cure period) constitute an Issuer Event.

10.2. Enforcement

The Security Agent, at its discretion and without notice, may take such steps or proceedings against or in relation to the Issuer as it may think fit to enforce the provisions of the Transaction Security Documents and the other English Law Transaction Documents to which it is a party (or with respect to which the Issuer's rights, title, interest and benefit therein has been assigned to it pursuant to the Security Assignment), but the Security Agent shall not be bound to take any such steps or proceedings unless so requested in writing by the Covered Bondholder Representative (subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction).

Pursuant to the Security Assignment, each of the Secured Creditors (other than the Security Agent) agrees with (or, by their accepting the benefits of the Security Assignment, shall be deemed to have agreed with) the Security Agent and the Issuer that such Secured Creditor: (a) shall not be entitled to take, and shall not take, any steps whatsoever to enforce the security created by or pursuant to the Security Assignment, or to direct the Security Agent to do so, and (b) shall not be entitled to take, and shall not take, any steps (including, without limitation, the exercise of any right of set-off) for the purpose of recovering any of the Secured Obligations owing to it or any other debts whatsoever owing to it by the Issuer or procuring the winding-up, examination, administration, bankruptcy, insolvency, dissolution or reorganisation of the Issuer (or any analogous procedure or step in any jurisdiction in relation to the Issuer) in respect of the Secured Obligations; *provided* that if the Security Agent or the Receiver, having become bound to do so, fails to serve a Notice of Default and/or to take any steps or proceedings to enforce such security pursuant to the Security Assignment within a reasonable time, and such failure is continuing, then the Secured Creditors shall be entitled to take any such steps and proceedings as they shall deem necessary (other than procuring the winding-up, examination, administration, bankruptcy, insolvency, dissolution or reorganisation of the Issuer (or any analogous procedure or step in any jurisdiction in relation to the Issuer) in respect of the Secured Obligations); *and provided further* that the Covered Bondholder Representative is entitled to direct the Security Agent to enforce the security created pursuant to the Security Assignment as more particularly set out in this Condition 10 and the Security Agency Agreement.

In acting on the instructions of the Covered Bondholder Representative, the Security Agent shall not be required to consider the interests of any other Secured Creditor. The Security Agent shall not be required to take any action that would involve the Security Agent in any liability or expense (unless previously pre-funded and/or indemnified and/or secured to its satisfaction). The Security Agent shall not, in any event, have regard to the consequences for individual Secured Creditors resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular jurisdiction. No Secured Creditor shall be entitled to require from the Issuer or the Security Agent, nor shall any Secured Creditor be entitled to claim from the Issuer or the Transaction Security, any indemnification or other payment in respect of any consequence (including any tax consequence) for such individual Secured Creditor of any such exercise.

For the avoidance of doubt, the Security Agent shall be entitled to act in relation to all matters arising under these Conditions, the Security Agency Agreement, the Transaction Security Documents and the other Transaction Documents to which it is a party as soon as it has received any instruction, direction and/or request from the Covered Bondholder Representative (subject in all cases to the requirement for the Security Agent to first have been pre-funded and/or secured and/or indemnified to its satisfaction) and if the Security Agent receives a conflicting instruction, direction and/or request from one or more Secured Creditor(s) (other than the Covered Bondholder Representative) in relation to any such matter, then the Security Agent shall in no way incur any liability for acting or continuing to act as it was instructed, directed and/or requested by the Covered Bondholder Representative.

The Covered Bondholder Representative is required to be appointed by the Majority Instructing Creditor. The Security Agency Agreement and the Agency Agreement contain provisions for convening meetings of Covered Bondholders to appoint the Covered Bondholder Representative.

10.3. Transfer to Another Institution

Pursuant to the provisions of Article 27 of the Covered Bonds Communiqué, in the event that an Administrator is appointed to the Cover Pool, the Administrator may, with the consent of the CMB, transfer (an "*Administrator Transfer*") all or part of the Cover Pool Assets and the Total Liabilities and

any other obligations that benefit from the Cover Pool to another bank or mortgage finance institution (each within the meaning of the Covered Bonds Communiqué). An Administrator Transfer is not subject to the consent of the Security Agent, Covered Bondholders, Hedging Counterparties, Agents or other Secured Creditors.

Notwithstanding any other provision of these Conditions or any other Transaction Document, an Administrator Transfer shall not constitute an Event of Default.

The Issuer shall use its best endeavours to effect any such Administrator Transfer at the earliest opportunity and in as smooth and trouble-free manner as is reasonably possible in the circumstances.

11. REPLACEMENT OF COVERED BONDS, RECEIPTS, COUPONS AND TALONS

Should any Covered Bond, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Fiscal Agent (in the case of Bearer Covered Bonds, Receipts, Coupons or Talons) or the Registrar (in the case of Registered Covered Bonds) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to: (a) evidence of such loss, theft, mutilation, defacement or destruction and (b) indemnity as the Issuer and the Fiscal Agent or, as applicable, the Registrar may reasonably require. Mutilated or defaced Covered Bonds, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

12. AGENTS

The names of the initial Agents and their initial specified offices are set out in the Agency Agreement. If any additional Agents are appointed in connection with this Series, then the names of such Agents will be specified in Part B of the applicable Final Terms.

The Issuer reserves the right at any time to vary or terminate the appointment of any Agent, appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts; provided that the applicable requirements (if any) of Clause 25 of the Agency Agreement are satisfied.

In addition, the Issuer shall as soon as practicable appoint a Paying Agent having a specified office in the United States in the circumstances described in Condition 5.5.

Notice of any termination or appointment and of any changes to the specified office of an Agent will be given to the Covered Bondholders promptly by the Fiscal Agent in accordance with Clauses 27 and 28 of the Agency Agreement.

Any such variation, termination, appointment or change of any Agent shall only take effect (other than in the case of the bankruptcy, insolvency or similar event of the applicable Agent or a Paying Agent ceasing to be a FATCA-Compliant Entity or as otherwise prescribed by the Agency Agreement, when (if so requested by the Issuer) it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Covered Bondholders in accordance with Condition 14.

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Covered Bondholder, Receiptholder, Couponholder or other Person. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted, with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

For the purposes of this Condition, "*FATCA-Compliant Entity*" means a Person payments to whom are not subject to any FATCA Withholding Tax.

13. EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon included in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified

office of any Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Covered Bond to which it appertains) a further Talon, subject to the provisions of Condition 8. Each Talon shall, for the purposes of these Conditions, be deemed to terminate concurrently with payment of the final Coupon included in the relevant Coupon sheet.

14. NOTICES

All notices to Covered Bondholders regarding the Bearer Covered Bonds will be deemed to be validly given if published in a leading English language newspaper of general circulation in London. It is anticipated (but not required) that any such publication in a newspaper will be made in the *Financial Times* in London. The Issuer shall also ensure that notices are duly published in a manner that complies with the rules of any stock exchange or other relevant authority on which the Bearer Covered Bonds (if any) are for the time being listed or by which they have been admitted to trading, including publication on the website of such stock exchange or other relevant authority if required by those rules. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the first date by which publication has occurred in all required newspapers.

All notices to Covered Bondholders regarding the Registered Covered Bonds will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) of such Registered Covered Bonds at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Covered Bonds are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of such stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules.

So long as any Global Covered Bond is held on behalf of DTC, Euroclear and/or Clearstream, Luxembourg, there may be substituted for such publication in such newspaper(s) or such website(s) or such mailing the delivery of the relevant notice to DTC, Euroclear and/or Clearstream, Luxembourg, as applicable, for communication by them to the holders of interests in such Global Covered Bond and, in addition, for so long as any Covered Bond is listed on a stock exchange or is admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of interests in such Covered Bond on such day as is specified in the applicable Final Terms after the day on which such notice was given to DTC, Euroclear and/or Clearstream, Luxembourg, as applicable (or, if not so specified, on the second London Business Day after the date on which such notice was given to DTC, Euroclear and/or Clearstream, Luxembourg, as applicable).

Notices to be given by any Covered Bondholder shall be in writing and given by lodging the same (together, in the case of any Bearer Definitive Covered Bond, with the relevant Bearer Definitive Covered Bond(s)) with the Fiscal Agent (in the case of Bearer Covered Bonds) or the Registrar (in the case of Registered Covered Bonds). Any such Bearer Definitive Covered Bond shall be returned to the relevant Covered Bondholder after such notice has been given in the event such Bearer Definitive Covered Bond is otherwise due to be returned to such Covered Bondholder. For so long as any of the Covered Bonds are represented by a Global Covered Bond, such notice may be given by any holder of an interest in such Global Covered Bond to the Fiscal Agent or the Registrar through DTC, Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Fiscal Agent, the Registrar and DTC, Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

Receiptholders and Couponholders of a Covered Bond shall be deemed for all purposes to have notice of the contents of any notice given to the applicable Covered Bondholder.

Notices given by (or on behalf of) the Issuer to Covered Bondholders of this Series pursuant hereto shall also be delivered to all Hedge Counterparties (if any) that are parties to Hedging Agreements

relating to this Series at the same time as they are given to such Covered Bondholders, which notices (unless published as provided in the first paragraph of this Condition 14) shall be delivered to each such Hedge Counterparty in accordance with the relevant Hedging Agreement.

15. MEETINGS OF COVERED BONDHOLDERS AND MODIFICATIONS

15.1. Meetings of Covered Bondholders

The Agency Agreement contains provisions for convening meetings of the Covered Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of any modification of the Covered Bonds (including any of these Conditions), the Receipts, the Coupons or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer at any time and shall be convened by the Issuer: (a) other than in respect of a Programme Reserved Matter, at any time if required in writing by Covered Bondholders holding not less than 10% in Principal Amount Outstanding of the Covered Bonds of this Series for the time being outstanding, (b) in respect of a Programme Reserved Matter, at any time if required in writing by Covered Bondholders holding not less than 10% in aggregate Principal Amount Outstanding of the Covered Bonds of all Series for the time being outstanding, or (c) in order to appoint the Covered Bondholder Representative, at any time if required by any Covered Bondholder. A meeting that has been validly convened in accordance with the provisions of the Agency Agreement may be cancelled by the Person(s) who convened (or, if applicable, caused the Issuer to convene) such meeting giving at least five days' notice (which, in the case of a meeting convened by the Issuer, will be given to the applicable Covered Bondholders in accordance with Condition 14 and to the Fiscal Agent and the Security Agent); *provided* that if the Issuer had convened such meeting after having been required to do so by one or more Covered Bondholder(s) pursuant to Clause 3.1 of Schedule 3 of the Agency Agreement, then the Issuer may not so cancel such meeting absent a request to do so from such Covered Bondholder(s).

The quorum at any such meeting for appointing the Covered Bondholder Representative (which is required to be appointed by the Majority Instructing Creditor) shall be one or more Eligible Person(s) present and holding or representing at least a majority of the Principal Amount Outstanding of all Series of Covered Bonds for the time being outstanding. The quorum at any meeting of the holders of a Series of Covered Bonds for passing an Extraordinary Resolution (but not a Programme Resolution) is one or more Eligible Person(s) present and holding or representing in the aggregate at least a majority of the Principal Amount Outstanding of the relevant Series of Covered Bonds for the time being outstanding, or at any adjourned meeting one or more Person(s) being or representing Covered Bondholders whatever the principal amount of the Covered Bonds so held or represented; *provided* that at any meeting the business of which includes any Series Reserved Matter (including modifying the Final Maturity Date or Extended Final Maturity Date of the applicable Series of Covered Bonds or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the applicable Series of Covered Bonds, altering the currency of payment of the applicable Series of Covered Bonds, the related Receipts or the related Coupons or amending the Deed of Covenant), the quorum shall be one or more Eligible Person(s) present and holding or representing not less than two-thirds in Principal Amount Outstanding of the applicable Series of Covered Bonds for the time being outstanding, or at any adjourned such meeting one or more Eligible Person(s) present and holding or representing not less than one-third in Principal Amount Outstanding of the relevant Series of Covered Bonds for the time being outstanding. An Extraordinary Resolution or Programme Resolution passed by the Covered Bondholders shall be binding upon all the Covered Bondholders, whether or not they are present at any meeting and whether or not they vote on the resolution, and on all Couponholders and Receiptholders.

15.2. Modification

The Issuer may make modifications to these Conditions and/or the other Transaction Documents in the manner described in Clause 32 of the Agency Agreement and (with respect to any Transaction Document) as provided within the applicable Transaction Document. Any such modification shall be binding upon the Covered Bondholders, Receiptholders and Couponholders and, unless the Fiscal Agent agrees otherwise, any such modification shall be notified by the Issuer to the applicable Covered Bondholders as soon as practicable thereafter in accordance with Condition 14.

Notwithstanding any other provision of these Conditions or the Agency Agreement, the consent or approval of the Covered Bondholders or the Couponholders shall not be required in the case of amendments to these Conditions pursuant to Condition 4.8 to vary the method or basis of calculating the rate(s) or amount of interest or the basis for calculating any Interest Amount in respect of the Covered Bonds or for any other variation of these Conditions and/or the Agency Agreement required to be made in the circumstances described in Condition 4.8, where the Issuer has delivered to the Calculation Agent a certificate pursuant to Condition 4.8(e).

16. FURTHER ISSUES

The Issuer may from time to time, without the consent of the Covered Bondholders or any other Secured Creditors, create and issue further Covered Bonds having terms and conditions the same as those of this Series of Covered Bonds, or the same in all respects except for the amount and/or date of the first payment of interest thereon, the issue date and/or the date from which interest starts to accrue, and so that the same shall be consolidated and form a single Series with such outstanding Covered Bonds; *provided* that the Issuer shall ensure that such further Covered Bonds will be fungible with such outstanding Covered Bonds for U.S. federal income tax purposes as a result of their issuance being a “qualified reopening” under U.S. Treasury Regulation § 1.1275-2(k) unless the original Covered Bonds were, and such further Covered Bonds are, offered and sold by (or on behalf of) the Issuer solely in reliance upon Regulation S in offshore transactions to Persons other than U.S. persons; *and provided further* that: (a) there is no Potential Breach of Statutory Test, Issuer Event or Event of Default outstanding at the time of such issuance and that such issuance would not cause a Potential Breach of Statutory Test, Issuer Event or Event of Default, (b) the Issuer notifies each Relevant Rating Agency of any Series of Covered Bonds of the issuance not less than five Business Days prior to the relevant issuance, (c) if applicable, such issuance has been approved by the CMB in accordance with the Turkish Covered Bonds Law, and (d) if a Hedging Agreement is in place with respect to such outstanding Covered Bonds, a further Hedging Agreement (or amendment or other modification of such existing Hedging Agreement) is entered into with respect to such further Covered Bonds.

In addition, the Issuer may from time to time, without the consent of the Covered Bondholders or any other Secured Creditors, create and issue separate Series of Covered Bonds under the Programme subject to satisfaction of clauses (a) and (c) referred to in the proviso to the immediately preceding paragraph.

Notwithstanding the preceding two paragraphs, if this Series is rated by one or more Relevant Rating Agency(ies), then in order to issue any other Series of Covered Bonds or any further Tranche of this or any other Series, a Rating Agency Confirmation from the Relevant Rating Agency(ies) of this Series shall have been obtained *unless* the new issuance is denominated and payable in Turkish Lira.

17. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No Person shall have any right to enforce any term or condition of this Covered Bond under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any Person that exists or is available apart from that Act and the rights and remedies of the relevant Hedge Counterparty(ies) in respect of the matters described in Condition 14 above and the rights and remedies of the Security Agent in respect of the matters described in the preamble to Condition 1 and Conditions 10, 15 and 18.

18. GOVERNING LAW AND SUBMISSION TO JURISDICTION

18.1. Governing Law

These Conditions, and any non-contractual obligations arising out of or in connection herewith, are and shall be governed by, and construed in accordance with, English law; *provided* that the Statutory Segregation referred to in Condition 3 is and shall be governed by and construed in accordance with the laws of Turkey.

18.2. Submission to Jurisdiction

The Issuer irrevocably agrees, for the benefit of the Covered Bondholders, Receiptholders and Couponholders, that the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgment or order originally of the High Court of Justice of England and Wales) have exclusive jurisdiction to settle any dispute, claim, difference or controversy arising out of, relating to or having any connection with the Covered Bonds, Receipts and/or Coupons (including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of any of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Covered Bonds, Receipts and/or Coupons) (together referred to as “*Proceedings*”) and accordingly submits to the exclusive jurisdiction of the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgment or order originally of the High Court of Justice of England and Wales) with respect thereto.

To the full extent allowed by Applicable Law, the Issuer irrevocably waives any objection that it may have to the laying of the venue of any Proceedings in any such courts and any claim that any such Proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any Proceedings brought in the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgment or order originally of the High Court of Justice of England and Wales) shall be conclusive and binding upon it and (to the extent permitted by Applicable Law) may be enforced in the courts of any other jurisdiction.

Nothing contained in this clause shall limit any right to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not, to the extent allowed by Applicable Law.

18.3. Consent to Enforcement

The Issuer agrees, without prejudice to the enforcement of a judgment obtained in the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgment or order originally of the High Court of Justice of England and Wales) according to the provisions of Article 54 of the International Private and Procedure Law of Turkey (Law No. 5718), that in the event that any action is brought in relation to the Issuer in a court in Turkey in connection with the Covered Bonds, the Receipts and/or the Coupons, in addition to other permissible legal evidence pursuant to the Civil Procedure Code of Turkey (Law No. 6100), any judgment obtained in such courts in connection with such action shall constitute (in addition to other legal evidence) conclusive evidence of the existence and amount of the claim against the Issuer pursuant to the provisions of the first paragraph of Article 193 of the Civil Procedure Code of Turkey (Law No. 6100) and Articles 58 and 59 of the International Private and Procedure Law of Turkey (Law No. 5718).

18.4. Waiver of Immunity

To the extent that the Issuer may in any jurisdiction claim for itself or its assets or revenues any immunity in relation to any Proceedings, including, without limitation, immunity from the jurisdiction of any court or tribunal, suit, service of process, injunctive or other interim relief, any order for specific performance, any order for recovery of land, any attachment (whether in aid of execution, before judgment or otherwise), any process for execution of any award or judgement or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Issuer or its assets or revenues, the Issuer agrees not to claim and irrevocably waives such immunity to the full extent permitted by the Applicable Laws of such jurisdiction.

18.5. Service of Process

In connection with any Proceedings in England, service of process may be made upon the Issuer at any of its branches or other offices in England and the Issuer undertakes that, in the event of its ceasing to have such a branch or other office, it shall promptly appoint another Person as its agent for that

purpose. If the Issuer fails so to appoint such other Person, then the Security Agent may appoint an agent for this purpose; *provided* that the Issuer may thereafter appoint a replacement therefor. This Condition does not affect any other method of service allowed by Applicable Law.

18.6. Other Documents

The Issuer has, in the Agency Agreement, the Deed of Covenant and the Deed Poll, submitted to the jurisdiction of the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgment or order originally of the High Court of Justice of England and Wales) and agreed to service of process in terms substantially similar to those set out above.

Schedule 2

Form of Deed of Covenant

Dated 30 April 2018

Deed of Covenant

in relation to the €2,000,000,000 Global Covered Bond Programme

Türkiye İş Bankası A.Ş.
as Issuer

This Deed of Covenant (the “**Deed**”) is made on 30 April 2018 by Türkiye İş Bankası A.Ş. (the “**Issuer**”) in favour of the account holders or participants specified below of Clearstream Banking S.A. (“**Clearstream, Luxembourg**”), Euroclear Bank SA/NV (“**Euroclear**”), The Depository Trust Company and/or any other additional clearing system or systems as is specified in the Final Terms relating to any Covered Bond (as defined below) (each a “**Clearing System**”).

Whereas:

- (A) The Issuer has entered into a Programme Agreement (the “**Programme Agreement**”, which expression includes the same as it may be amended, supplemented, novated or restated from time to time) dated 21 April 2017 as amended and restated on 30 April 2018 with the Dealers and Arrangers named in it under which the Issuer proposes from time to time to issue Covered Bonds (the “**Covered Bonds**”).
- (B) The Issuer has also entered into an Agency Agreement (the “**Agency Agreement**”, which expression includes the same as it may be amended, supplemented, novated or restated from time to time) dated 21 April 2017 as amended and restated on 30 April 2018 between, *inter alios*, the Issuer and The Bank of New York Mellon, London Branch (the “**Fiscal Agent**”).
- (C) Certain of the Covered Bonds will initially be represented by, and comprised in, Global Covered Bonds, in each case representing a certain number of underlying Covered Bonds (the “**Underlying Covered Bonds**”).
- (D) Each Global Covered Bond may, after issue, be deposited with a depository for one or more Clearing Systems (together, the “**Relevant Clearing System**”). Upon any deposit of a Global Covered Bond, the Underlying Covered Bonds represented by such Global Covered Bond will be credited to a securities account or securities accounts with the Relevant Clearing System. Any account holder with a Relevant Clearing System which has Underlying Covered Bonds credited to its securities account at such Relevant Clearing System from time to time (each a “**Relevant Account Holder**”) will, subject to and in accordance with the terms and conditions and operating procedures or management regulations of such Relevant Clearing System, be entitled to transfer such Underlying Covered Bonds and (subject to and upon payment being made by the Issuer to the holder in accordance with the terms of the relevant Global Covered Bond) will be entitled to receive payments from such Relevant Clearing System calculated by reference to the Underlying Covered Bonds credited to such securities account.
- (E) In certain circumstances specified in each Global Covered Bond, the holder of the Global Covered Bond will have no further rights under the Global Covered Bond (but without prejudice to the rights which any Person may have pursuant to this Deed of Covenant). The time at which this occurs is referred to as the “**Relevant Time**”. In those circumstances, each Relevant Account Holder will, subject to and in accordance with the terms of this Deed, acquire against the Issuer all those rights which the Relevant Account Holder would have had if, prior to the Relevant Time, duly executed and authenticated Definitive Covered Bonds had been issued in respect of its Underlying Covered Bonds and such Definitive Covered Bonds were held and beneficially owned by the Relevant Account Holder.
- (F) The original of this Deed shall be held by a common depository for Euroclear Bank SA/NV and Clearstream Banking S.A., though for the benefit of all Relevant Account Holders of all Relevant Clearing Systems.

Now this Deed Witnesses as Follows:

1. If at any time the holder of a Global Covered Bond ceases to have rights under it in accordance with its terms, the Issuer covenants with each Relevant Account Holder (other than any Relevant Account Holder which is an account holder of any other Relevant Clearing System) holding an Underlying Covered Bond represented by such Global Covered Bond that

such Relevant Account Holder shall automatically acquire at the Relevant Time, without the need for any further action on behalf of any Person, against the Issuer all those rights which such Relevant Account Holder would have had if at the Relevant Time it held and beneficially owned an executed and authenticated Definitive Covered Bond in respect of each Underlying Covered Bond represented by such Global Covered Bond which the Relevant Account Holder has credited to its securities account with the applicable Relevant Clearing System at the Relevant Time.

2. The Issuer's obligation under Clause 1 shall be a separate and independent obligation by reference to each Underlying Covered Bond which a Relevant Account Holder has credited to its securities account with a Relevant Clearing System and the Issuer agrees that a Relevant Account Holder may assign its rights under this Deed in whole or in part.
3. The records of the Relevant Clearing System shall, in the absence of manifest error, be conclusive evidence of the identity of the Relevant Account Holders and the number of Underlying Covered Bonds credited to the securities account of each Relevant Account Holder. For these purposes, a statement issued by a Relevant Clearing System stating:
 - (a) the name of the Relevant Account Holder to which the statement is issued; and
 - (b) the aggregate Principal Amount Outstanding of Underlying Covered Bonds credited to the securities account of such Relevant Account Holder as at the opening of business on the first day following the Relevant Time on which such Relevant Clearing System is open for business; *provided that* if such Relevant Clearing System is closed for a continuous period of 14 days or more, then as at the end of business on the most recent day on which such Relevant Clearing System was open for business,

shall be conclusive evidence of the records of such Relevant Clearing System at the Relevant Time.

4. In the event of a dispute, the determination of the Relevant Time by a Relevant Clearing System shall (in the absence of manifest error) be final and conclusive for all purposes in connection with the Relevant Account Holders with securities accounts with such Relevant Clearing System.
5. The Issuer undertakes in favour of each Relevant Account Holder that, in relation to any payment to be made by it under this Deed, it will comply with the provisions of Condition 7 (*Taxation*) to the extent that they apply to any payments in respect of Underlying Covered Bonds as if those provisions had been set out in full in this Deed.
6. The Issuer will pay any stamp and other duties and taxes, including interest and penalties, payable on or in connection with the execution of this Deed and any action taken by any Relevant Account Holder to enforce the provisions of this Deed following a failure by the Issuer in paying any amount due from it under this Deed.
7. The Issuer represents, warrants and undertakes with each Relevant Account Holder that it has all corporate power, and has taken all necessary corporate or other steps, to enable it to execute, deliver and perform this Deed, and that this Deed constitutes a legal, valid and binding obligation of the Issuer enforceable in accordance with its terms subject to the laws of bankruptcy and other laws affecting the rights of creditors generally.
8. This Deed shall take effect as a deed poll for the benefit of the Relevant Account Holders from time to time. This Deed shall be deposited with the Fiscal Agent, who shall be instructed by the Issuer to hold this Deed for each Relevant Clearing System until all the obligations of the Issuer under this Deed have been discharged in full.
9. The Issuer acknowledges the right of every Relevant Account Holder to the production of, and the right of every Relevant Account Holder to obtain (upon payment of a reasonable

charge) a copy of, this Deed, and further acknowledges and covenants that the obligations binding upon it contained in this Deed are owed to, and shall be for the account of, each and every Relevant Account Holder, and that each Relevant Account Holder shall be entitled severally to enforce those obligations against the Issuer.

10. If any provision in or obligation under this Deed is or becomes invalid, illegal or unenforceable in any respect under the Applicable Law of any jurisdiction, that will not affect or impair: (a) the validity, legality or enforceability under the Applicable Law of that jurisdiction of any other provision in or obligation under this Deed and (b) the validity, legality or enforceability under the Applicable Law of any other jurisdiction of that or any other provision in or obligation under this Deed.
11. Other than the Relevant Account Holders and (in relation to paragraph 14 below) the Security Agent, a Person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.
12. This Deed and any non-contractual obligations arising out of or in connection with this Deed are governed by, and shall be construed in accordance with, the laws of England and Wales.
13. Subject to Clause 14, the Issuer agrees for the benefit of the Relevant Account Holders that the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgement or order originally of the High Court of Justice of England and Wales) are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Deed (including any dispute relating to any non-contractual obligations arising out of or in connection with this Deed) and accordingly the Issuer submits to the exclusive jurisdiction of the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgement or order originally of the High Court of Justice of England and Wales).
14. Notwithstanding Clause 13, each Relevant Account Holder may take any suit, action or proceedings (including any proceedings relating to any non-contractual obligations arising out of or in connection with this Deed) (together referred to as “**Proceedings**”) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions, to the extent allowed by law. In connection with any Proceedings, service of process may be made upon the Issuer at any of its branches or other offices in England (with the current address of its branch in England being 8 Princes Street, London EC2R 8HL, England) and the Issuer undertakes that in the event that it ceases to have an office in England, it will promptly appoint another Person as its agent for that purpose. Failing that, the Issuer acknowledges and agrees for the benefit of the Security Agent and the Relevant Account Holders that the Security Agent may appoint another agent for this purpose; *provided* that the Issuer may thereafter appoint a replacement therefor.
15. The Issuer agrees, upon the enforcement or recognition of a judgment obtained in the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgement or order originally of the High Court of Justice of England and Wales) according to the relevant provisions of the International Private and Procedural Law of Turkey (Law No. 5718), that in the event that any action is brought in relation to the Issuer in a court in Turkey in connection with this Deed, in addition to other permissible legal evidence pursuant to the Civil Procedure Code of Turkey (Law No. 6100), any judgment obtained in the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgement or order originally of the High Court of Justice of England and Wales) in connection with such action shall constitute conclusive evidence of the existence and amount of the claim against the Issuer pursuant to the provisions of the first sentence of Article 193 of

the Civil Procedure Code of Turkey (Law No. 6100) and Articles 58 and 59 of the International Private and Procedural Law of Turkey (Law No. 5718).

In Witness whereof the Issuer has caused this Deed to be duly executed the day and year first above mentioned.

Executed as a Deed
by **Türkiye İş Bankası A.Ş.**

By: _____
Name: Özgür Temel
Title: Division Head

By: _____
Name: Gamze Yalçın
Title: Deputy Chief Executive

Schedule 3

Provisions for Meetings of Covered Bondholders

1. Definitions

As used in this Schedule, the following expressions have the following meanings unless the context otherwise requires:

“voting certificate” means, in respect of Covered Bonds, an English language certificate issued by a Paying Agent and dated in which it is stated that the bearer of the voting certificate is entitled to attend and vote at the meeting and any adjourned meeting in respect of the Covered Bonds represented by the certificate;

“block voting instruction” means, in relation to Covered Bonds, an English language document issued by a Paying Agent and dated which:

- (a) relates to a specified Principal Amount Outstanding of Covered Bonds and a meeting (or adjourned meeting) of the holders of the Series of which those Covered Bonds form part;
- (b) states that the Paying Agent has been instructed (either by the holders of the Covered Bonds or by a relevant clearing system) to attend the meeting and procure that the votes attributable to the Covered Bonds are cast at the meeting in accordance with the instructions given;
- (c) identifies with regard to each resolution to be proposed at the meeting the Principal Amount Outstanding of Covered Bonds in respect of which instructions have been given that the votes attributable to them should be cast in favour of the resolution and the Principal Amount Outstanding of Covered Bonds in respect of which instructions have been given that the votes attributable to them should be cast against the resolution; and
- (d) states that one or more named persons (each a **“proxy”**) is or are authorised and instructed by the Paying Agent to cast the votes attributable to the Covered Bonds identified in accordance with the instructions referred to in (c) above as set out in the block voting instruction;

a **“Relevant Clearing System”** means, in respect of any Covered Bonds represented by a Global Covered Bond, any clearing system on behalf of which the Global Covered Bond is held or which is the bearer or (directly or through a nominee) registered owner of the Global Covered Bond, in each case whether alone or jointly with any other clearing system(s);

“24 hours” means a period of 24 hours including all or part of a day on which banks are open for business both in the place where the meeting is to be held and in each of the places where the Paying Agents have their specified offices (disregarding for this purpose the day on which the meeting is to be held) and that period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included all or part of a day on which banks are open for business in all of the places where the Paying Agents have their specified offices; and

“48 hours” means a period of 48 hours including all or part of two days on which banks are open for business both in the place where the meeting is to be held and in each of the places where the Paying Agents have their specified offices (disregarding for this purpose the day on which the meeting is to be held) and that period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included all or part of two days on

which banks are open for business in all of the places where the Paying Agents have their specified offices.

References in this Schedule to “Covered Bonds” are to Covered Bonds in respect of which the relevant meeting is, or is proposed to be, convened; *provided* that, for any Programme Reserved Matter, the relevant meeting shall apply for all outstanding Covered Bonds.

For the purposes of calculating a period of “**clear days**”, no account shall be taken of the day on which a period commences or the day on which a period ends.

“**Programme Meeting**” means a meeting of Covered Bondholders (whether originally convened or resumed following an adjournment) that has been convened to consider a Programme Reserved Matter.

“**Programme Reserved Matter**” means:

- (a) a modification that would have the effect of altering the majority required to pass a specific resolution or the quorum required at any Programme Meeting;
- (b) an amendment of this definition or the definition of Programme Meeting; or
- (c) a modification that would have the effect of altering the requirements to declare an Event of Default under Condition 10 (*Events of Default*) or altering the taking of enforcement action under Condition 10.2 (*Enforcement*) of the Covered Bonds.

A Programme Reserved Matter is required to be passed by a Programme Resolution.

“**Programme Resolution**” means: (a) a resolution in writing signed by or on behalf of holders of a majority of the Principal Amount Outstanding of all Covered Bonds; (b) a resolution of a Programme Meeting duly convened and held in accordance with the provisions of this Schedule that has been passed by a majority of votes cast at such Programme Meeting or (c) consent given by way of electronic consents through the Relevant Clearing System(s) (in a form satisfactory to the Fiscal Agent) by or on behalf of the holders of a majority of the Principal Amount Outstanding of all Covered Bonds (the resolutions in writing and consents given pursuant to sub-paragraphs (a) and (c) shall be combined in calculating the level of approval).

2. Evidence of Entitlement to Attend and Vote

2.1 The following Persons (each an “**Eligible Person**”) are entitled to attend and vote at a meeting of the holders of Covered Bonds:

- (a) a holder of any Bearer Definitive Covered Bonds;
- (b) a bearer of any voting certificate in respect of the Covered Bonds; and
- (c) a proxy specified in any block voting instruction;

provided that only one such Eligible Person shall be permitted to vote with respect to each Covered Bond (should more than two Persons be Eligible Persons with respect to any Covered Bond, then the one who shall be the Eligible Person for these purposes will be: (i)(A) the bearer or registered holder of such Covered Bond, (B) if such is not determinative, a bearer of a voting certificate described in sub-paragraph (b) above, and (C) if such is not determinative, a proxy described in sub-paragraph (c) above, and (ii) if sub-paragraph (i)(B) or (i)(C) applies and there are two or more bearers of voting certificates or proxies as described above, then the one holding the voting certificate or proxy with the most recent date.

A Covered Bondholder may require the issue by any Paying Agent of voting certificates and block voting instructions in accordance with the terms of paragraphs 2.2 (*Definitive Covered Bonds-Voting Certificate*) to 2.5 (*Global Covered Bonds – Block Voting Instruction*) below.

For the purposes of paragraphs 2.2 (*Definitive Covered Bonds-Voting Certificate*) to 2.5 (*Global Covered Bonds – Block Voting Instruction*) below, the Fiscal Agent or the Registrar, as the case may be, shall be entitled to rely, without further enquiry, on any information or instructions received from a Relevant Clearing System and shall have no liability to any Covered Bondholder or other Person for any loss, damage, cost, claim or other liability caused by its reliance on those instructions, nor for any failure by a Relevant Clearing System to deliver information or instructions to the Fiscal Agent.

The holder of any voting certificate or the proxies named in any block voting instruction shall (subject to the proviso in the definition of Eligible Person) for all purposes in connection with the meeting or adjourned meeting be deemed to be the holder of the Covered Bonds to which the voting certificate or block voting instruction relates and the Paying Agent with which the Covered Bonds have been deposited or the Person holding the Covered Bonds to the order or under the control of any Paying Agent shall be deemed for those purposes not to be the holder of those Covered Bonds.

2.2 Definitive Covered Bonds - Voting Certificate

A holder of a Definitive Covered Bond may obtain a voting certificate in respect of that Covered Bond from a Paying Agent (unless that Covered Bond is the subject of a block voting instruction which has been issued and is outstanding in respect of the meeting specified in the voting certificate or any adjourned meeting) subject to the holder procuring that such Covered Bond is deposited with such Paying Agent or (to the satisfaction of such Paying Agent) is held to its order or under its control or blocked in an account with a Relevant Clearing System upon terms that such Covered Bond will not cease to be deposited or held or blocked until the first to occur of:

- (a) the conclusion of the meeting specified in the voting certificate or, if later, of any adjourned meeting; and
- (b) the surrender of the voting certificate to such Paying Agent who issued it.

2.3 Global Covered Bonds - Voting Certificate

A holder of a Covered Bond (not being a Covered Bond in respect of which instructions have been given to the Fiscal Agent in accordance with paragraph 2.5 (*Global Covered Bonds – Block Voting Instruction*)) represented by a Global Covered Bond may procure the delivery of a voting certificate in respect of that Covered Bond by giving notice to the Relevant Clearing System specifying by name a Person (an “**Identified Person**”) (which need not be such holder himself) to collect the voting certificate and attend and vote at the meeting. The voting certificate will be made available at or shortly before the start of the meeting by the Fiscal Agent against presentation by the Identified Person of the form of identification previously notified by the holder to the Relevant Clearing System. The Relevant Clearing System may prescribe forms of identification (including, without limitation, passports) which it considers appropriate for these purposes. Subject to receipt by the Fiscal Agent from the Relevant Clearing System, no later than 24 hours before the time for which the meeting is convened, of notification of the Principal Amount Outstanding of the Covered Bonds to be represented by any voting certificate and the form of identification against presentation of which the voting certificate should be released, the Fiscal Agent shall, without any obligation to make further enquiry, make available voting certificates against presentation of forms of identification corresponding to those notified.

2.4 Definitive Covered Bonds - Block Voting Instruction

A holder of a Definitive Covered Bond may require a Paying Agent to issue a block voting instruction in respect of that Covered Bond (unless that Covered Bond is the subject of a voting certificate which has been issued and is outstanding in respect of the meeting specified in the block voting instruction or any adjourned meeting) by depositing that Covered Bond with such Paying Agent or (to the satisfaction of such Paying Agent) by:

- (a) procuring that, not less than 48 hours before the time fixed for the meeting, the Covered Bond is held to such Paying Agent's order or under its control or is blocked in an account with a Relevant Clearing System, in each case on terms that the Covered Bond will not cease to be so deposited or held or blocked until the first to occur of:
 - (i) the conclusion of the meeting specified in the block voting instruction or, if later, of any adjourned meeting; and
 - (ii) the surrender to such Paying Agent, not less than 48 hours before the time for which the meeting or any adjourned meeting is convened, of the receipt issued by such Paying Agent in respect of each deposited Covered Bond which is to be released or (as the case may require) the Covered Bond ceasing with the agreement of such Paying Agent to be held to its order or under its control or to be blocked and the giving of notice by the Paying Agent to the Issuer in accordance with paragraph 2.5 (*Global Covered Bonds – Block Voting Instruction*) of the necessary amendment to the block voting instruction; and
- (b) instructing such Paying Agent that the vote(s) attributable to each Covered Bond so deposited or held or blocked should be cast in a particular way in relation to the resolution or resolutions to be put to the meeting or any adjourned meeting and that the instruction is, during the period commencing 48 hours before the time for which the meeting or any adjourned meeting is convened and ending at the conclusion or adjournment of the meeting, neither revocable nor capable of amendment.

2.5 Global Covered Bonds - Block Voting Instruction

- (a) A holder of a Covered Bond (not being a Covered Bond in respect of which a voting certificate has been issued) represented by a Global Covered Bond may require the Fiscal Agent to issue a block voting instruction in respect of the Covered Bond by first instructing the Relevant Clearing System to procure that the votes attributable to the holder's Covered Bond should be cast at the meeting in a particular way in relation to the resolution or resolutions to be put to the meeting. Any such instruction shall be given in accordance with the rules of the Relevant Clearing System then in effect. Subject to receipt by the Fiscal Agent, no later than 24 hours before the time for which the meeting is convened, of (i) instructions from the Relevant Clearing System, (ii) notification of the Principal Amount Outstanding of the Covered Bonds in respect of which instructions have been given and (iii) the manner in which the votes attributable to the Covered Bonds should be cast, the Fiscal Agent shall, without any obligation to make further enquiry, attend the meeting and cast votes in accordance with those instructions.
- (b) Each block voting instruction shall be deposited by the relevant Paying Agent at the place specified by the Fiscal Agent for the purpose not less than 24 hours before the time appointed for holding the meeting or adjourned meeting at which the proxies named in the block voting instruction propose to vote, and in default the block voting instruction shall not be treated as valid unless the Chairman of the meeting decides otherwise before the meeting or adjourned meeting proceeds to business. A notarially

certified copy of each block voting instruction shall (if so requested by the Issuer) be deposited with the Issuer before the start of the meeting or adjourned meeting but the Issuer shall not as a result be obliged to investigate or be concerned with the validity of or the authority of the proxies named in the block voting instruction.

- (c) Any vote given in accordance with the terms of a block voting instruction shall be valid notwithstanding the previous revocation or amendment of the block voting instruction or of any of the instructions of the relevant Covered Bondholder or the Relevant Clearing System (as the case may be) pursuant to which it was executed; *provided that* no indication in writing of any revocation or amendment has been received from the relevant Paying Agent by the Issuer at its registered office by the time being 24 hours before the time appointed for holding the meeting or adjourned meeting at which the block voting instruction is to be used.
- (d) Notwithstanding any other provision contained in this Schedule, if the holder of a Registered Covered Bond is DTC or a nominee of DTC, such nominee or DTC, DTC participants or beneficial owners of interests in Registered Covered Bonds held through DTC participants may appoint proxies in accordance with and in the form used by DTC as part of its usual procedures from time to time in relation to meetings of Covered Bondholders. Any proxy so appointed may by an instrument in writing in the English language signed by the proxy or, in the case of a corporation or other legal entity, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation or other legal entity and delivered to the Registrar or any other Person approved by the Registrar before the time fixed for any meeting, appoint any Persons to act on its behalf in connection with any meeting or proposed meeting of Covered Bondholders.

3. Convening of Meetings, Quorum, Adjourned Meetings

3.1 The Issuer may:

- (a) other than in respect of a Programme Reserved Matter, at any time or, if required in writing by Covered Bondholders of a Series holding not less than 10% in Principal Amount Outstanding of the Covered Bonds of such Series for the time being outstanding, shall convene a meeting of the applicable Series of Covered Bondholders (and if the Issuer fails to convene such a meeting for a period of seven days after receipt of such a requirement, then such meeting may be convened by such Covered Bondholders);
- (b) in respect of a Programme Reserved Matter, at any time or, if required in writing by Covered Bondholders holding not less than 10% in aggregate Principal Amount Outstanding of the Covered Bonds of all Series for the time being outstanding, shall convene a meeting of all the Covered Bondholders (and if the Issuer fails to convene such a meeting for a period of seven days after receipt of such a requirement, then such meeting may be convened by such Covered Bondholders); or
- (c) in order to appoint the Covered Bondholder Representative, at any time or, if required by any Covered Bondholder, shall convene a meeting of the Covered Bondholders (and if the Issuer fails to convene such a meeting for a period of three days after receipt of such a requirement, then the meeting may be convened by such Covered Bondholder).

Whenever the Issuer or (as applicable) one or more Covered Bondholder(s) is about to convene any meeting, it or they shall as promptly as practicable give notice in writing to the Fiscal Agent, the Security Agent and the Dealers of the day, time and place of the meeting and of the nature of the business to be transacted at the meeting. Every meeting shall be held at a time and place approved by the Fiscal Agent.

- 3.2 At least 21 clear days' notice (other than in the case of a meeting convened to appoint the Covered Bondholder Representative, in which case at least three days' notice and not more than 7 days' notice) (in each case, exclusive of the day on which the notice is given and the day on which the meeting is held) specifying the place, day and hour of the meeting shall be given to the applicable Covered Bondholders in the manner provided in Condition 14 (*Notices*). The notice, which shall be in the English language, shall state generally the nature of the business to be transacted at the meeting and, in the case of an Extraordinary Resolution only, shall either (a) specify the terms of the Extraordinary Resolution to be proposed or (b) inform Covered Bondholders that the terms of the Extraordinary Resolution are available free of charge from the Fiscal Agent; *provided that*, in the case of (b), such resolution is so available in its final form with effect on and from the date on which the notice convening such meeting is given as aforesaid. The notice shall include statements as to: (i) the manner in which Covered Bondholders may arrange for voting certificates or block voting instructions to be issued and, if applicable, appoint proxies or representatives or (ii) inform Covered Bondholders that details of the voting arrangements are available free of charge from the Fiscal Agent; *provided that*, in the case of (ii), the final form of such details are so available with effect on and from the date on which the notice convening such meeting is given as aforesaid. A copy of the notice shall be sent by post to the Issuer (unless the meeting is convened by the Issuer).
- 3.3 A meeting that has been validly convened in accordance with paragraph 3.1 above may be cancelled by the Person(s) who convened (or, if applicable, caused the Issuer to convene) such meeting by giving at least five days' notice (exclusive of the day on which the notice is given and the day on which the meeting is held), any such notice of cancellation to be given (which, in the case of a meeting convened by the Issuer, shall be given to the applicable Covered Bondholders in accordance with Condition 14 and to the Fiscal Agent and the Security Agent); *provided that* if the Issuer had convened such meeting after having been required to do so by one or more Covered Bondholder(s) pursuant to paragraph 3.1 above, then the Issuer may not so cancel such meeting absent a request to do so from such Covered Bondholder(s). Any meeting cancelled in accordance with this paragraph shall be deemed not to have been convened.
- 3.4 The person (who may but need not be a Covered Bondholder) who is nominated in writing by the Issuer shall be entitled to take the chair at each meeting but, if no nomination is made or if at any meeting the person nominated is not present within 15 minutes after the time appointed for holding the meeting, the Covered Bondholders present shall choose one of their number to be Chairman, failing which the Issuer may appoint a Chairman. The Chairman of an adjourned meeting need not be the same person as was Chairman of the meeting from which the adjournment took place.
- 3.5 At any meeting, one or more Eligible Person(s) present and holding or representing in the aggregate not less than 10% in Principal Amount Outstanding of all Covered Bonds (or, if applicable, Covered Bonds of the applicable Series) for the time being outstanding shall (except for the purpose of passing an Extraordinary Resolution or a Programme Resolution or appointing a Covered Bondholder Representative) form a quorum for the transaction of business and no business (other than the choosing of a Chairman) shall be transacted at any meeting unless the required quorum is present at the commencement of business. The quorum at any such meeting for appointing the Covered Bondholder Representative (which is required to be appointed by the Majority Instructing Creditor) shall be one or more Eligible Person(s) present and holding or representing in aggregate at least a majority of the Principal Amount Outstanding of all Covered Bonds outstanding. The quorum at any meeting of the holders of a Series of Covered Bonds for passing an Extraordinary Resolution (but not a Programme Resolution) shall (subject as provided below) be one or more Eligible Person(s) present and holding or representing in the aggregate at least a majority of the Principal Amount Outstanding of the relevant Series of Covered Bonds for the time being outstanding; *provided that* at any meeting the business of which includes any of the following matters (each of

which, subject only to Clause 32 (*Amendments*) of the Agency Agreement, shall only be capable of being effected after having been approved by an Extraordinary Resolution of the relevant Series of Covered Bonds):

- (a) modification of the Final Maturity Date or Extended Final Maturity Date of the applicable Series of Covered Bonds or reduction or cancellation of the Principal Amount Outstanding of such Series payable at maturity;
- (b) reduction or cancellation of the amount of principal or the rate of interest, or modification of any date for payment of interest, in respect of the applicable Series of Covered Bonds or variation of the method of calculating the rate of interest in respect of the relevant Series of Covered Bonds;
- (c) reduction of any Minimum Rate of Interest and/or Maximum Rate of Interest specified in the applicable Final Terms;
- (d) alteration of the currency of payment of the applicable Series of Covered Bonds, the related Receipts or the related Coupons;
- (e) amendment of the Deed of Covenant;
- (f) modification of the majority required to pass an Extraordinary Resolution;
- (g) the sanctioning of any scheme or proposal described in paragraph 4.9(i); or
- (h) alteration of this definition or the proviso to paragraph 3.7 below,

(each of paragraphs 3.5(a) to (h) above with respect to any Series, a “**Series Reserved Matter**”), the quorum shall be one or more Eligible Person(s) present and holding or representing not less than two-thirds in Principal Amount Outstanding of the applicable Series of Covered Bonds for the time being outstanding.

For the avoidance of doubt, no meeting of a relevant Series of Covered Bonds can validly pass any resolution which required a Programme Resolution.

At any meeting (including any adjourned meeting) to consider a Programme Reserved Matter, one or more Eligible Persons present and holding or representing in the aggregate not less than a majority in Principal Amount Outstanding of all Covered Bonds for the time being outstanding shall form a quorum for the transaction of business and no business (other than the choosing of a Chairman) shall be transacted at any meeting (including any adjourned meeting) unless the required quorum is present at the commencement of business. A Programme Reserved Matter is required to be passed by a Programme Resolution.

- 3.6 If within 15 minutes (or such longer period not exceeding 30 minutes as the Chairman may decide) after the time appointed for any meeting a quorum is not present for the transaction of any particular business, then, subject and without prejudice to the transaction of the business (if any) for which a quorum is present, the meeting shall if convened by Covered Bondholders be dissolved. In any other case, it shall be adjourned to the same day in the next week (or if that day is a public holiday, the next following business day) at the same time and place (except in the case of a meeting at which an Extraordinary Resolution is to be proposed, in which case it shall be adjourned for a period being not less than 14 clear days nor more than 42 clear days and at a place appointed by the Chairman and approved by the Fiscal Agent). If within 15 minutes (or a longer period not exceeding 30 minutes as the Chairman may decide) after the time appointed for any adjourned meeting a quorum is not present for the transaction of any particular business, then, subject and without prejudice to the transaction of the business (if any) for which a quorum is present, the Chairman may either dissolve the meeting or adjourn it for a period, being not less than 14 clear days (but without any maximum number of clear days) and to a place as may be appointed by the Chairman (either at or after

the adjourned meeting) and approved by the Fiscal Agent, and the provisions of this sentence shall apply to all further adjourned meetings.

- 3.7 At any adjourned meeting, one or more Eligible Person(s) present being or representing Covered Bondholders (whatever the Principal Amount Outstanding of the Covered Bonds so held or represented by them) shall (subject as provided below) form a quorum and shall (subject as provided below) have power to pass any Extraordinary Resolution or (if proposed by the Issuer) other resolution and to decide upon all matters proposed by the Issuer which could properly have been dealt with at the meeting from which the adjournment took place had the required quorum been present; *provided* that at any adjourned meeting the business of which includes any: (a) Series Reserved Matter, the quorum shall be one or more Eligible Person(s) present and holding or representing not less than one-third in Principal Amount Outstanding of the relevant Series of Covered Bonds for the time being outstanding, or (b) Programme Reserved Matter, the quorum shall be as stated in paragraph 3.5.
- 3.8 Notice of any adjourned meeting at which an Extraordinary Resolution is to be submitted shall be given in the same manner as notice of an original meeting but as if 10 were substituted for 21 in paragraph 3.2 and the notice shall state the relevant quorum. Subject to this it shall not be necessary to give any notice of an adjourned meeting.
- 3.9 Notwithstanding anything herein to the contrary, no meeting shall be required with respect to any amendments or other modifications permitted by Clause 32.1(a)(i) of the Agency Agreement, including any that would be a Series Reserved Matter or Programme Reserved Matter.

4. Conduct of Business at Meetings

- 4.1 Every question submitted to a meeting shall be decided in the first instance by a show of hands and in the case of an equality of votes the Chairman shall both on a show of hands and on a poll have a casting vote in addition to the vote or votes (if any) to which he may be entitled as an Eligible Person.
- 4.2 At any meeting, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman or the Issuer or by any Eligible Person present (whatever the Principal Amount Outstanding of the Covered Bonds held by him), a declaration by the Chairman that a resolution has been carried or carried by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 4.3 Subject to paragraph 4.5, if at any meeting a poll is demanded, it shall be taken in the manner and, subject as provided below, either at once or after an adjournment as the Chairman may direct and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded as at the date of the taking of the poll. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the motion on which the poll has been demanded.
- 4.4 The Chairman may, with the consent of (and shall if directed by) any meeting, adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting except business which might lawfully (but for lack of required quorum) have been transacted at the meeting from which the adjournment took place.
- 4.5 Any poll demanded at any meeting on the election of a Chairman or on any question of adjournment shall be taken at the meeting without adjournment.
- 4.6 Any director or officer of the Issuer and its lawyers and financial advisers may attend and speak at any meeting. Subject to this, but without prejudice to the proviso to the definition of “**outstanding**” in the Master Definitions and Construction Schedule, no person shall be entitled to attend and speak nor shall any person be entitled to vote at any meeting of the

Covered Bondholders or join with others in requiring the convening of a meeting unless he is an Eligible Person. Except to the extent held as a broker on behalf of one or more non-affiliated Person(s), no person shall be entitled to vote at any meeting in respect of Covered Bonds held by, for the benefit of, or on behalf of the Issuer or any Subsidiary of the Issuer. Nothing contained in this paragraph shall prevent any of the proxies named in any block voting instruction from being a director, officer or representative of or otherwise connected with the Issuer.

4.7 Subject as provided in paragraph 4.6, at any meeting:

- (a) on a show of hands, every Eligible Person present shall have one vote; and
- (b) on a poll, every Eligible Person present shall have one vote in respect of:
 - (i) in the case of a meeting of the holders of Covered Bonds all of which are denominated in Turkish Lira, each TL1.00; and
 - (ii) in the case of a meeting of the holders of Covered Bonds denominated in more than one currency, each equivalent of TL1.00 (calculated in accordance with paragraph 4.15 below),

or such other amount as the Fiscal Agent shall in its absolute discretion specify in Principal Amount Outstanding of Covered Bonds.

Without prejudice to the obligations of the proxies named in any block voting instruction, any Person entitled to more than one vote need not use all his votes or cast all the votes to which he is entitled in the same way.

4.8 The proxies named in any block voting instruction need not be Covered Bondholders.

4.9 A meeting of the Covered Bondholders shall in addition to the powers set out above have the following powers exercisable only by Extraordinary Resolution (subject to the provisions relating to quorum contained in paragraph 3.5 and 3.7), namely:

- (a) power to approve any compromise or arrangement proposed to be made between the Issuer and the Covered Bondholders, Receiptholders and Couponholders or any of them;
- (b) power to approve any abrogation, modification, compromise or arrangement in respect of the rights of the Covered Bondholders, Receiptholders and Couponholders against the Issuer or against any of its property whether these rights arise under this Agreement, the Covered Bonds, the Receipts or the Coupons or otherwise;
- (c) power to agree to any modification of the provisions contained in this Agreement or the Conditions, the Covered Bonds, the Receipts, the Coupons, the Deed of Covenant or any Transaction Documents which is proposed by the Issuer or any Covered Bondholder;
- (d) power to give any authority or approval which under the provisions of this Schedule or the Covered Bonds is required to be given by Extraordinary Resolution;
- (e) power to sanction any consent or approval given by the Security Agent under or in relation to any of the Transaction Documents;
- (f) power to discharge or exonerate the Security Agent and/or any Appointee from all liability in respect of any act or omission for which the Security Agent may have been responsible under the Transaction Documents;

- (g) power to authorise the Security Agent and/or any Appointee to concur in and execute and do all such deeds, instruments, act and things as may be necessary to carry out and give effect to any Extraordinary Resolution;
- (h) power to appoint any Persons (whether Covered Bondholders or not) as a committee or committees to represent the interests of the Covered Bondholders and to confer upon any committee or committees any powers or discretions which the Covered Bondholders could themselves exercise by Extraordinary Resolution;
- (i) power to approve any scheme or proposal for the exchange or sale of the Covered Bonds for, or the conversion of the Covered Bonds into, or the cancellation of the Covered Bonds in consideration of, shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any other company formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities as stated above and partly for or into or in consideration of cash; and
- (j) power to approve the substitution of any entity in place of the Issuer (or any previous substitute) as the principal debtor in respect of the Covered Bonds, the Receipts and the Coupons.

4.10 Any resolution (including any Extraordinary Resolution or Programme Resolution): (a) passed at a meeting of the Covered Bondholders duly convened and held, (b) passed as a resolution in writing or (c) passed by way of electronic consents given by Covered Bondholders through the Relevant Clearing System(s), in accordance with the provisions of this Schedule, shall be binding upon: (i) all the Covered Bondholders whether or not they are present at a meeting referred to in (a) above or whether or not they have signed the written resolution referred to in (b) above or consented electronically as referred to in (c) above and whether or not voting and (ii) all Couponholders and Receiptholders, and each of them shall be bound to give effect to the resolution accordingly and the passing of any resolution shall be conclusive evidence that the circumstances justify its passing. Notice of the result of voting on any resolution duly considered by the Covered Bondholders shall be published in accordance with Condition 14 (*Notices*) by the Issuer within 14 days of the result being known; *provided that* non-publication shall not invalidate the resolution.

4.11 The expression “**Extraordinary Resolution**” when used in this Schedule:

- (a) in respect of the Covered Bonds for the time being outstanding means (i) a resolution passed at a meeting of the Covered Bondholders duly convened and held in accordance with the provisions of this Schedule by a majority consisting of not less than 75% of the Eligible Persons voting on the resolution upon a show of hands or, if a poll was duly demanded, by a majority consisting of not less than 75% of the votes (as determined in accordance with paragraph 4.7(b)) cast on the poll, (ii) a resolution in writing signed by or on behalf of the holders of not less than 75% in Principal Amount Outstanding of the Covered Bonds, which resolution in writing may be contained in one document or in several documents in similar form each signed by or on behalf of one or more of the Covered Bondholders, or (iii) consent given by way of electronic consents through the Relevant Clearing System(s) (in a form satisfactory to the Fiscal Agent) by or on behalf of the holders of not less than 75% in Principal Amount Outstanding of the Covered Bonds for the time being outstanding (the resolutions in writing and consents given pursuant to sub-paragraphs (ii) and (iii) shall be combined in calculating the level of approval); and
- (b) in respect of a Series of Covered Bonds means (i) a resolution passed at a meeting of the Covered Bondholders of the relevant Series duly convened and held in accordance with the provisions of this Schedule by a majority consisting of not less than 75% of

the Eligible Persons voting on the resolution upon a show of hands or, if a poll was duly demanded, by a majority consisting of not less than 75% of the votes (as determined in accordance with paragraph 4.7(b)) cast on the poll, (ii) a resolution in writing signed by or on behalf of the holders of not less than 75% in Principal Amount Outstanding of the Covered Bonds of the relevant Series, which resolution in writing may be contained in one document or in several documents in similar form each signed by or on behalf of one or more of the Covered Bondholders of the relevant Series, or (iii) consent given by way of electronic consents through the Relevant Clearing System(s) (in a form satisfactory to the Fiscal Agent) by or on behalf of the holders of not less than 75% in Principal Amount Outstanding of the Covered Bonds of such Series for the time being outstanding (the resolutions in writing and consents given pursuant to sub-paragraph (ii) and (iii) shall be combined in calculating the level of approval).

- 4.12 For the purpose of determining whether a resolution in writing has been validly passed, the Issuer and each Agent shall be entitled to rely on any consent or instructions given in writing directly to the Issuer and/or the Fiscal Agent and/or the Registrar, as the case may be: (a) by accountholders in the clearing system(s) with entitlements to the relevant Covered Bonds (represented by interests in one or more Global Covered Bonds) and/or (b) where any accountholder holds any such entitlement on behalf of another Person, on written consent from, or written instruction by, the Person identified by the relevant accountholder as the Person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer and each Agent shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system and, in the case of (b) above, the Relevant Clearing System and the accountholder identified by the Relevant Clearing System. Any resolution passed in such manner shall be binding on all Covered Bondholders, Couponholders and Receiptholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the Relevant Clearing System (including Euroclear's EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular Principal Amount Outstanding of the Covered Bonds is clearly identified together with the amount of such holding. None of the Issuer or any Agent shall be liable to any Person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such Person and subsequently found to be forged or not authentic.
- 4.13 Notwithstanding any other provision of this Agreement, the consent or approval of the Covered Bondholders or the Couponholders shall not be required in the case of amendments to the Conditions pursuant to Condition 4.8 to vary the method or basis of calculating the rate(s) or amount of interest or the basis for calculating any Interest Amount in respect of the Covered Bonds or for any other variation of the Conditions and/or this Agreement required to be made in the circumstances described in Condition 4.8, where the Issuer has delivered to the Calculation Agent a certificate pursuant to Condition 4.8(e).
- 4.14 Minutes of all resolutions and proceedings at every meeting shall be made and duly entered in books to be from time to time provided for that purpose by the Issuer and any minutes signed by the Chairman of the meeting at which any resolution was passed or proceedings had shall be conclusive evidence of the matters contained in them and, until the contrary is proved, every meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed or proceedings had at the meeting to have been duly passed or had.

- 4.15 Subject to all other provisions contained in this Schedule, the Fiscal Agent may without the consent of the Issuer, the Covered Bondholders, the Receiptholders or the Couponholders prescribe any other regulations regarding the calling and/or the holding of meetings of Covered Bondholders and attendance and voting at them as the Fiscal Agent may in its sole discretion think fit (including, without limitation, the substitution for periods of 24 hours and 48 hours referred to in this Schedule of shorter periods). Any regulations prescribed by the Fiscal Agent may but need not reflect the practices and facilities of any Relevant Clearing System. Notice of any other regulations may be given to Covered Bondholders in accordance with Condition 14 (*Notices*) and/or at the time of service of any notice convening a meeting.
- 4.16 If the Issuer has issued and has outstanding Covered Bonds which are not denominated in Turkish Lira, or in the case of any meeting of holders of Covered Bonds of more than one currency, the Principal Amount Outstanding of such Covered Bonds shall be notionally converted into a Turkish Lira equivalent using the Applicable Exchange Rate for purposes of determining voting rights (including with respect to the exercise of remedies) under the Conditions, the Agency Agreement and the Transaction Security Documents (and the other Transaction Documents to the extent applicable).
- 4.17 If and whenever the Issuer shall have issued and have outstanding Covered Bonds of more than one Series, the foregoing provisions of this Schedule shall have effect subject to the following modifications:
- (a) subject to (d) below, a resolution which in the opinion of the Security Agent affects the Covered Bonds of only one Series shall be deemed to have been duly passed if passed at a separate meeting of the holders of the Covered Bonds of that Series;
 - (b) subject to (d) below, a resolution which in the opinion of the Security Agent affects the Covered Bonds of more than one Series but does not give rise to a conflict of interest between the holders of Covered Bonds of any of the Series so affected shall be deemed to have been duly passed if passed at a single meeting of the holders of the Covered Bonds of all the Series so affected;
 - (c) subject to (d) below, a resolution which in the opinion of the Security Agent affects the Covered Bonds of more than one Series and gives or may give rise to a conflict of interest between the holders of the Covered Bonds of one Series or group of Series so affected and the holders of the Covered Bonds of another Series or group of Series so affected shall be deemed to have been duly passed only if passed at separate meetings of the holders of the Covered Bonds of each Series or group of Series so affected;
 - (d) a Programme Resolution shall be deemed to have been duly passed only if passed at a single meeting of the Covered Bondholders of all Series; and
 - (e) to all such meetings, all the preceding provisions of this Schedule shall *mutatis mutandis* apply as though references therein to Covered Bonds and Covered Bondholders were references to the Covered Bonds of the Series or group of Series in question or to the holders of such Covered Bonds, as the case may be.
- 4.18 The appointment of a Covered Bondholder Representative is required to be effected by the Majority Instructing Creditor. For the avoidance of doubt, the appointment of a Covered Bondholder Representative is not a Programme Reserved Matter or a Series Reserved Matter nor is required to be effected by Extraordinary Resolution. For further details, see Clause 4.25 of the Security Agency Agreement.

Schedule 4

Form of Global and Definitive Covered Bonds, Receipts, Coupons and Talons

Part 1

Form of Temporary Bearer Global Covered Bond

[ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.]¹

THIS COVERED BOND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OF THE UNITED STATES OF AMERICA OR ANY OTHER APPLICABLE U.S. FEDERAL OR STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF: (a) WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) UNLESS THE TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND (b) EXCEPT IN COMPLIANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE UNITED STATES AND ALL OTHER JURISDICTIONS. THE HOLDER OF THIS COVERED BOND (OR OF A BENEFICIAL INTEREST HEREIN) BY ITS ACCEPTANCE HEREOF (OR OF A BENEFICIAL INTEREST HEREIN) AGREES (OR SHALL BE DEEMED TO AGREE) ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT IS HOLDING THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) THAT NO OFFER, SALE, ASSIGNMENT, TRANSFER, PLEDGE, ENCUMBRANCE OR OTHER DISPOSITION OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) SHALL BE MADE TO A U.S. PERSON PRIOR TO THE EXPIRATION OF A 40 DAY PERIOD AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING TO PERSONS OTHER THAN DISTRIBUTORS AND THE ISSUE DATE OF THE TRANCHE OF WHICH THIS COVERED BOND FORMS PART.

EACH PURCHASER AND TRANSFEREE (AND IF THE PURCHASER OR TRANSFEREE IS A PLAN, THEN ITS FIDUCIARY) OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT EITHER: (a) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WILL NOT BE, ACQUIRING OR HOLDING THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WITH THE ASSETS OF: (i) AN “EMPLOYEE BENEFIT PLAN” AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), THAT IS SUBJECT TO THE PROVISIONS OF TITLE I OF ERISA, (ii) A “PLAN” AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”), (iii) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE “PLAN ASSETS” OF ANY OF THE FOREGOING OR (iv) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN THAT IS SUBJECT TO ANY STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (“SIMILAR LAW”), OR (b) THE ACQUISITION, HOLDING AND DISPOSITION OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT

¹ This legend can be deleted if the Covered Bonds have an initial maturity of 365 days or less.

IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A VIOLATION OF SIMILAR LAW.

THIS COVERED BOND AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDER OF THIS COVERED BOND (OR BENEFICIAL INTERESTS HEREIN) SENT TO ITS REGISTERED ADDRESS (OR, FOR HOLDERS OF BENEFICIAL INTERESTS, TO THE EXTENT FORWARDED TO THEM BY THE APPLICABLE CLEARING SYSTEM), TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS COVERED BOND (OR BENEFICIAL INTERESTS HEREIN) TO REFLECT ANY CHANGE IN APPLICABLE LAW (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO RESALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS COVERED BOND (OR OF A BENEFICIAL INTEREST HEREIN) SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF (OR OF A BENEFICIAL INTEREST HEREIN), TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING UPON THE HOLDER HEREOF (AND HOLDERS OF A BENEFICIAL INTEREST HEREIN) AND ALL FUTURE HOLDERS OF THIS COVERED BOND (AND HOLDERS OF A BENEFICIAL INTEREST HEREIN) AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION HEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).

(a) THE ISSUER AND/OR ANY PAYING AGENT MAY REQUEST EACH COVERED BONDHOLDER TO PROVIDE TO THE ISSUER AND EACH PAYING AGENT (OR ANY AGENT ACTING ON ANY OF THEIR RESPECTIVE BEHALF) ALL INFORMATION REASONABLY AVAILABLE TO IT THAT IS REASONABLY REQUESTED BY THE ISSUER AND/OR SUCH PAYING AGENT (OR ANY AGENT ACTING ON ANY OF THEIR RESPECTIVE BEHALF) IN CONNECTION WITH THE TAX SHARING LAWS AND (b) EACH OF THE ISSUER AND THE PAYING AGENTS (OR ANY AGENT ACTING ON ANY OF THEIR RESPECTIVE BEHALF) MAY: (i) PROVIDE SUCH INFORMATION, ANY RELATED DOCUMENTATION AND ANY OTHER INFORMATION CONCERNING SUCH COVERED BONDHOLDER'S INVESTMENT IN THE COVERED BONDS TO EACH OTHER AND/OR ANY RELEVANT TAX AUTHORITY (ii) TAKE SUCH OTHER STEPS AS IT MAY DEEM NECESSARY OR HELPFUL TO COMPLY WITH THE TAX SHARING LAWS; PROVIDED THAT SUCH PROVISIONS WILL NOT APPLY TO ANY COVERED BONDHOLDER THAT IS AN EXEMPT GOVERNMENT ENTITY. FOR THE PURPOSE OF CLARIFICATION, THIS IS APPLICABLE ONLY TO THE HOLDER OF THIS COVERED BOND AND NOT TO HOLDERS OF BENEFICIAL INTERESTS IN THIS COVERED BOND.

Türkiye İş Bankası A.Ş.

Temporary Bearer Global Covered Bond

This Global Covered Bond is a Temporary Bearer Global Covered Bond in respect of a duly authorised issue of Covered Bonds (the “**Covered Bonds**”) of Türkiye İş Bankası A.Ş. (the “**Issuer**”) described, and having the provisions specified, in Part A of the attached Final Terms (the “**Final Terms**”). References in this Global Covered Bond to the Conditions shall be to the Terms and Conditions of the Covered Bonds [endorsed on this Covered Bond/attached to this Covered Bond/set out in Schedule 1 (*Terms and Conditions of the Covered Bonds*) to the Agency Agreement (as defined below), which shall be incorporated by reference in this Covered Bond and have effect as if set out in it] as modified, supplemented or completed by the information set out in the Final Terms, but in the event of any conflict between the provisions of: (a) the Conditions or (b) this Global Covered Bond and the information set out in the Final Terms, the Final Terms will prevail.

Words and expressions defined or set out in the Conditions and/or the Final Terms shall have the same meaning when used in this Global Covered Bond.

This Global Covered Bond is issued subject to, and with the benefit of, the Conditions and an agency agreement (the “**Agency Agreement**”, which expression shall be construed as a reference to that agreement as the same may be amended, supplemented, novated or restated from time to time) dated 21 April 2017 as last amended and restated on 5 May 2020 and made among the Issuer, The Bank of New York Mellon, London Branch (the “**Fiscal Agent**”) and the other agents named in it.

For value received, the Issuer, subject to and in accordance with the Conditions, promises to pay to the bearer of this Global Covered Bond on each Instalment Date (if the Covered Bonds are repayable in instalments) and on the Final Maturity Date or Extended Final Maturity Date, as applicable, and/or on such earlier date(s) as all or any of the Covered Bonds represented by this Global Covered Bond may become due and repayable in accordance with the Conditions, the amount payable under the Conditions in respect of the Covered Bonds represented by this Global Covered Bond on each such date and to pay interest (if any) on the Principal Amount Outstanding of the Covered Bonds from time to time represented by this Global Covered Bond calculated and payable as provided in the Conditions together with any other sums payable under the Conditions, upon presentation and, at maturity, surrender of this Global Covered Bond to or to the order of the Fiscal Agent or at any of the other paying agents located outside the United States (except as provided in the Conditions) from time to time appointed by the Issuer in respect of the Covered Bonds, but in each case subject to the requirements as to certification provided below.

If the applicable Final Terms indicates that this Global Covered Bond is intended to be a New Global Covered Bond, the Principal Amount Outstanding of Covered Bonds represented by this Global Covered Bond shall be the aggregate amount from time to time entered in the records of Euroclear Bank SA/NV and Clearstream Banking S.A. (together, the “**Relevant Clearing Systems**”). The records of the Relevant Clearing System(s) (which expression in this Global Covered Bond means the records that each such Relevant Clearing System holds for its customers which reflect the amount of such customer’s interest in the Covered Bonds) shall be conclusive evidence of the Principal Amount Outstanding of Covered Bonds represented by this Global Covered Bond and, for these purposes, a statement issued by a Relevant Clearing System stating the Principal Amount Outstanding of Covered Bonds represented by this Global Covered Bond at any time (which statement shall be made available to the bearer upon request) shall be conclusive evidence of the records of the Relevant Clearing System at that time.

If the applicable Final Terms indicates that this Global Covered Bond is not a New Global Covered Bond, the Principal Amount Outstanding of the Covered Bonds represented by this Global Covered Bond shall be the amount stated in the applicable Final Terms or, if lower, the Principal Amount Outstanding most recently entered by or on behalf of the Issuer in the relevant column in Parts 2 (*Payment of Instalment Amounts*), 3 (*Redemption*) or 4 (*Purchases and Cancellations*) of Schedule One or in Schedule Two.

On any redemption or payment of an instalment or interest being made in respect of, or purchase and cancellation of, any of the Covered Bonds represented by this Global Covered Bond, the Issuer shall procure that:

- (a) if the applicable Final Terms indicates that this Global Covered Bond is intended to be a New Global Covered Bond, details of such redemption, payment or purchase and cancellation (as the case may be) shall be entered *pro rata* in the records of the Relevant Clearing Systems and, upon any such entry being made, the Principal Amount Outstanding of the Covered Bonds recorded in the records of the Relevant Clearing Systems and represented by this Global Covered Bond shall be reduced by the aggregate Principal Amount Outstanding of the Covered Bonds so redeemed or purchased and cancelled or by the aggregate amount of such instalment so paid; or

- (b) if the applicable Final Terms indicates that this Global Covered Bond is not a New Global Covered Bond, details of such redemption, payment or purchase and cancellation (as the case may be) shall be entered by or on behalf of the Issuer in Schedule One and the relevant space in Schedule One recording any such redemption, payment or purchase and cancellation (as the case may be) shall be signed by or on behalf of the Issuer. Upon any such redemption, payment of an instalment or purchase and cancellation, the Principal Amount Outstanding of the Covered Bonds represented by this Global Covered Bond shall be reduced by the Principal Amount Outstanding of the Covered Bonds so redeemed or purchased and cancelled or by the amount of such instalment so paid.

Payments due in respect of Covered Bonds for the time being represented by this Global Covered Bond shall be made to the bearer of this Global Covered Bond and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries referred to above shall not affect such discharge.

All payments (if any) on this Global Covered Bond will only be made to the bearer hereof to the extent that there is presented to the Fiscal Agent by a Relevant Clearing System a certificate to the effect that it has received from or in respect of a Person entitled to a particular Principal Amount Outstanding of the Covered Bonds (as shown by its records) a certificate of non-US beneficial ownership in the form required by it; *provided* that no payment shall be made hereon on or after the Exchange Date (as defined below). The bearer of this Global Covered Bond will not be entitled to receive any payment of interest due on or after the Exchange Date unless, upon due certification, exchange of this Global Covered Bond is improperly withheld or refused.

After the date (the "**Exchange Date**") that begins immediately upon the expiration of a 40-day period after the later of the commencement of the offering of the Covered Bonds represented by this Global Covered Bond and the Issue Date, interests in this Global Covered Bond may be exchanged in whole or in part (free of charge) for, as specified in the Final Terms, either: (a) security-printed Bearer Definitive Covered Bonds and (if applicable) Coupons, Receipts and Talons in the form set out in Parts 4 (*Form of Bearer Definitive Covered Bond*), 5 (*Form of Coupon*), and 6 (*Form of Receipt*), respectively, of Schedule 4 to the Agency Agreement (on the basis that all the appropriate details have been included on the face of such Bearer Definitive Covered Bonds and (if applicable) Coupons, Receipts and Talons and the Final Terms (or the relevant provisions of the Final Terms) have been endorsed on or attached to such Bearer Definitive Covered Bonds) or (b) either, if the applicable Final Terms indicates that this Global Covered Bond is intended to be a New Global Covered Bond, interests recorded in the records of the Relevant Clearing Systems in a Permanent Bearer Global Covered Bond or, if the applicable Final Terms indicates that this Global Covered Bond is not a New Global Covered Bond, a Permanent Bearer Global Covered Bond, which, in either case, is in or substantially in the form set out in Part 2 of Schedule 4 (*Form of Permanent Bearer Global Covered Bond*) to the Agency Agreement (together with the Final Terms attached to it), in each case upon notice being given by a Relevant Clearing System acting on the instructions of any holder of an interest in this Global Covered Bond.

If Bearer Definitive Covered Bonds and (if applicable) Coupons, Receipts and/or Talons have already been issued in exchange for all the Covered Bonds represented for the time being by the Permanent Bearer Global Covered Bond referred to in sub-paragraph (b) in the preceding paragraph, then this Global Covered Bond may only thereafter be exchanged for Bearer Definitive Covered Bonds and (if applicable) Coupons, Receipts and/or Talons in accordance with the terms of this Global Covered Bond.

This Global Covered Bond may be exchanged on or after the Exchange Date by the bearer hereof on any day (other than a Saturday or Sunday) on which banks are open for general business in London. The Issuer shall procure that the Bearer Definitive Covered Bonds or (as the case may be) the interests in the Permanent Bearer Global Covered Bond shall be (in the case of Bearer Definitive Covered Bonds) issued and delivered and (in the case of the Permanent Bearer Global Covered Bond where the applicable Final Terms indicates that this Global Covered Bond is intended to be a New Global

Covered Bond) recorded in the records of the Relevant Clearing System in exchange for only that portion of this Global Covered Bond in respect of which there shall have been presented to the Fiscal Agent by a Relevant Clearing System a certificate to the effect that it has received from or in respect of a Person entitled to a beneficial interest in a particular Principal Amount Outstanding of the Covered Bonds (as shown by its records) a certificate of non-US beneficial ownership from such Person in the form required by it. The aggregate Principal Amount Outstanding of Bearer Definitive Covered Bonds issued upon an exchange of this Global Covered Bond will, subject to the terms hereof, be equal to the aggregate Principal Amount Outstanding of this Global Covered Bond submitted by the bearer for exchange (to the extent that such Principal Amount Outstanding does not exceed the aggregate principal amount of this Global Covered Bond).

On an exchange of the whole of this Global Covered Bond, this Global Covered Bond shall be surrendered to or to the order of the Fiscal Agent. On an exchange of part only of this Global Covered Bond, the Issuer shall procure that:

- (a) if the applicable Final Terms indicates that this Global Covered Bond is intended to be a New Global Covered Bond, details of such exchange shall be entered *pro rata* in the records of the Relevant Clearing Systems; or
- (b) if the applicable Final Terms indicates that this Global Covered Bond is not a New Global Covered Bond, details of such exchange shall be entered by or on behalf of the Issuer in Schedule Two and the relevant space in Schedule Two recording such exchange shall be signed by or on behalf of the Issuer, whereupon the Principal Amount Outstanding of this Global Covered Bond and the Covered Bonds represented by this Global Covered Bond shall be reduced by the Principal Amount Outstanding so exchanged. On any exchange of this Global Covered Bond for a Permanent Bearer Global Covered Bond, details of such exchange shall also be entered by or on behalf of the Issuer in Schedule Two to the Permanent Bearer Global Covered Bond and the relevant space in Schedule Two to the Permanent Bearer Global Covered Bond recording such exchange shall be signed by or on behalf of the Issuer.

Until the exchange of the whole of this Global Covered Bond, the bearer of this Global Covered Bond shall in all respects (except as otherwise provided in this Global Covered Bond) be entitled to the same benefits as if such bearer were the bearer of Bearer Definitive Covered Bonds and the relative Coupons, Receipts and/or Talons (if any) represented by this Global Covered Bond. Accordingly, except as otherwise provided in the Conditions or as ordered by a court of competent jurisdiction or as required by law or applicable regulations, the Issuer and any Paying Agent may deem and treat the holder of this Global Covered Bond as the absolute owner of this Global Covered Bond for all purposes. Payments due in respect of Covered Bonds for the time being represented by this Global Covered Bond shall be made to the bearer of this Global Covered Bond and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries referred to above shall not affect such discharge.

Repayment of the principal of this Global Covered Bond may be accelerated by the holder thereof in certain circumstances described in Condition 10 (*Events of Default*). In the event: (a) that this Global Covered Bond (or any part of it) has become due and repayable in accordance with the Conditions of the applicable Series or that the Final Maturity Date or Extended Final Maturity Date, as applicable, has occurred and, in either case, payment in full of the amount due has not been made in accordance with the provisions set out above, or (b) following an Exchange Event or as otherwise prescribed in the provisions of this Global Covered Bond, this Global Covered Bond is not duly exchanged for definitive Covered Bonds by the relevant day provided for above, then from 8:00 p.m. (London time) on the day immediately following the applicable due date, holders of interests in this Global Covered Bond credited to their accounts with a Clearing System will, on the basis of statements of account provided by the applicable Relevant Clearing System, become entitled to proceed directly against the Issuer on and subject to the terms of the Deed of Covenant executed by the Issuer on 30 April 2018 in respect of the Covered Bonds issued under the Programme Agreement pursuant to which this Global Covered Bond is issued and the bearer will have no further rights under this Global Covered Bond

(but without prejudice to the rights that the bearer or any other Person might have under the Deed of Covenant).

No rights are conferred on any Person under the Contracts (Rights of Third Parties Act) 1999 to enforce any term of this Global Covered Bond, but this does not affect any right or remedy of any Person which exists or is available apart from that Act.

If any provision in or obligation under this Global Covered Bond is or becomes invalid, illegal or unenforceable in any respect under the Applicable Law of any jurisdiction, that will not affect or impair: (a) the validity, legality or enforceability under the Applicable Law of that jurisdiction of any other provision in or obligation under this Global Covered Bond and (b) the validity, legality or enforceability under the Applicable Law of any other jurisdiction of that or any other provision in or obligation under this Global Covered Bond.

This Global Covered Bond and any non-contractual obligations arising out of or in connection with this Global Covered Bond are governed by, and shall be construed in accordance with, English law.

This Global Covered Bond shall not be valid unless authenticated by the Fiscal Agent and, if the applicable Final Terms indicates that this Global Covered Bond is intended to be held in a manner which would allow Eurosystem eligibility, effectuated by the entity appointed as common safekeeper by the Relevant Clearing Systems.

In Witness whereof the Issuer has caused this Global Covered Bond to be duly executed on its behalf.

Türkiye İş Bankası A.Ş.

By: _____

Name:

Title:

By: _____

Name:

Title:

Authenticated without recourse, warranty or liability by

The Bank of New York Mellon, London Branch, as Fiscal Agent

By:

Effectuated without recourse, warranty or liability by

as common safekeeper

By:

Part 2
Form of Permanent Bearer Global Covered Bond

[ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.]⁸

THIS COVERED BOND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OF THE UNITED STATES OF AMERICA OR ANY OTHER APPLICABLE U.S. FEDERAL OR STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF: (a) WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) UNLESS THE TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND (b) EXCEPT IN COMPLIANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE UNITED STATES AND ALL OTHER JURISDICTIONS. THE HOLDER OF THIS COVERED BOND (OR OF A BENEFICIAL INTEREST HEREIN) BY ITS ACCEPTANCE HEREOF (OR OF A BENEFICIAL INTEREST HEREIN) AGREES (OR SHALL BE DEEMED TO AGREE) ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT IS HOLDING THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) THAT NO OFFER, SALE, ASSIGNMENT, TRANSFER, PLEDGE, ENCUMBRANCE OR OTHER DISPOSITION OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) SHALL BE MADE TO A U.S. PERSON PRIOR TO THE EXPIRATION OF A 40 DAY PERIOD AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING TO PERSONS OTHER THAN DISTRIBUTORS AND THE ISSUE DATE OF THE TRANCHE OF WHICH THIS COVERED BOND FORMS PART.

EACH PURCHASER AND TRANSFEREE (AND IF THE PURCHASER OR TRANSFEREE IS A PLAN, THEN ITS FIDUCIARY) OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT EITHER: (a) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WILL NOT BE, ACQUIRING OR HOLDING THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WITH THE ASSETS OF: (i) AN “EMPLOYEE BENEFIT PLAN” AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), THAT IS SUBJECT TO THE PROVISIONS OF TITLE I OF ERISA, (ii) A “PLAN” AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”), (iii) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE “PLAN ASSETS” OF ANY OF THE FOREGOING OR (iv) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN THAT IS SUBJECT TO ANY STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (“SIMILAR LAW”), OR (b) THE ACQUISITION, HOLDING AND DISPOSITION OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A VIOLATION OF SIMILAR LAW.

THIS COVERED BOND AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDER OF THIS COVERED BOND (OR

⁸ This legend can be deleted if the Covered Bonds have an initial maturity of 365 days or less.

BENEFICIAL INTERESTS HEREIN) SENT TO ITS REGISTERED ADDRESS (OR, FOR HOLDERS OF BENEFICIAL INTERESTS, TO THE EXTENT FORWARDED TO THEM BY THE APPLICABLE CLEARING SYSTEM), TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THIS COVERED BOND (OR BENEFICIAL INTERESTS HEREIN) TO REFLECT ANY CHANGE IN APPLICABLE LAW (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO REALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS COVERED BOND (OR OF A BENEFICIAL INTEREST HEREIN) SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF (OR OF A BENEFICIAL INTEREST HEREIN), TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING UPON THE HOLDER HEREOF (AND HOLDERS OF A BENEFICIAL INTEREST HEREIN) AND ALL FUTURE HOLDERS OF THIS COVERED BOND (AND HOLDERS OF A BENEFICIAL INTEREST HEREIN) AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION HEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).

(a) THE ISSUER AND/OR ANY PAYING AGENT MAY REQUEST EACH COVERED BONDHOLDER TO PROVIDE TO THE ISSUER AND EACH PAYING AGENT (OR ANY AGENT ACTING ON ANY OF THEIR RESPECTIVE BEHALF) ALL INFORMATION REASONABLY AVAILABLE TO IT THAT IS REASONABLY REQUESTED BY THE ISSUER AND/OR SUCH PAYING AGENT (OR ANY AGENT ACTING ON ANY OF THEIR RESPECTIVE BEHALF) IN CONNECTION WITH THE TAX SHARING LAWS AND (b) EACH OF THE ISSUER AND THE PAYING AGENTS (OR ANY AGENT ACTING ON ANY OF THEIR RESPECTIVE BEHALF) MAY: (i) PROVIDE SUCH INFORMATION, ANY RELATED DOCUMENTATION AND ANY OTHER INFORMATION CONCERNING SUCH COVERED BONDHOLDER'S INVESTMENT IN THE COVERED BONDS TO EACH OTHER AND/OR ANY RELEVANT TAX AUTHORITY (ii) TAKE SUCH OTHER STEPS AS IT MAY DEEM NECESSARY OR HELPFUL TO COMPLY WITH THE TAX SHARING LAWS; PROVIDED THAT SUCH PROVISIONS WILL NOT APPLY TO ANY COVERED BONDHOLDER THAT IS AN EXEMPT GOVERNMENT ENTITY. FOR THE PURPOSE OF CLARIFICATION, THIS IS APPLICABLE ONLY TO THE HOLDER OF THIS COVERED BOND AND NOT TO HOLDERS OF BENEFICIAL INTERESTS IN THIS COVERED BOND.

Türkiye İş Bankası A.Ş.
Permanent Bearer Global Covered Bond

This Global Covered Bond is a Permanent Bearer Global Covered Bond in respect of a duly authorised issue of Covered Bonds (the “**Covered Bonds**”) of Türkiye İş Bankası A.Ş. (the “**Issuer**”) described, and having the provisions specified, in Part A of the attached Final Terms (the “**Final Terms**”). References in this Global Covered Bond to the Conditions shall be to the Terms and Conditions of the Covered Bonds [endorsed on this Covered Bond/attached to this Covered Bond/set out in Schedule 1 (*Terms and Conditions of the Covered Bonds*) to the Agency Agreement (as defined below), which shall be incorporated by reference in this Covered Bond and have effect as if set out in it] as modified, supplemented or completed by the information set out in the Final Terms, but in the event of any conflict between the provisions of (a) the Conditions or (b) this Global Covered Bond and the information set out in the Final Terms, the Final Terms will prevail.

Words and expressions defined or set out in the Conditions and/or the Final Terms shall have the same meaning when used in this Global Covered Bond.

This Global Covered Bond is issued subject to, and with the benefit of, the Conditions and an agency agreement (the “**Agency Agreement**”, which expression shall be construed as a reference to that

agreement as the same may be amended, supplemented, novated or restated from time to time) dated 21 April 2017 as last amended and restated on 5 May 2020 and made among the Issuer, The Bank of New York Mellon, London Branch (the “**Fiscal Agent**”) and the other agents named in it.

For value received the Issuer, subject to and in accordance with the Conditions, promises to pay to the bearer of this Global Covered Bond on each Instalment Date (if the Covered Bonds are repayable in instalments) and on the Final Maturity Date or Extended Final Maturity Date, as applicable, and/or on such earlier date(s) as all or any of the Covered Bonds represented by this Global Covered Bond may become due and repayable in accordance with the Conditions, the amount payable under the Conditions in respect of the Covered Bonds represented by this Global Covered Bond on each such date and to pay interest (if any) on the Principal Amount Outstanding of the Covered Bonds from time to time represented by this Global Covered Bond calculated and payable as provided in the Conditions together with any other sums payable under the Conditions, upon presentation and, at maturity, surrender of this Global Covered Bond to or to the order of the Fiscal Agent or at any of the other paying agents located outside the United States (except as provided in the Conditions) from time to time appointed by the Issuer in respect of the Covered Bonds.

If the applicable Final Terms indicates that this Global Covered Bond is intended to be a New Global Covered Bond, the Principal Amount Outstanding of Covered Bonds represented by this Global Covered Bond shall be the aggregate amount from time to time entered in the records of Euroclear Bank SA/NV and Clearstream Banking S.A. (together, the “**Relevant Clearing Systems**”). The records of the Relevant Clearing System(s) (which expression in this Global Covered Bond means the records that each such Relevant Clearing System holds for its customers which reflect the amount of such customer’s interest in the Covered Bonds) shall be conclusive evidence of the Principal Amount Outstanding of Covered Bonds represented by this Global Covered Bond and, for these purposes, a statement issued by a Relevant Clearing System stating the Principal Amount Outstanding of Covered Bonds represented by this Global Covered Bond at any time (which statement shall be made available to the bearer upon request) shall be conclusive evidence of the records of the Relevant Clearing System at that time.

If the applicable Final Terms indicates that this Global Covered Bond is not a New Global Covered Bond, the Principal Amount Outstanding of the Covered Bonds represented by this Global Covered Bond shall be the amount stated in the applicable Final Terms or, if lower, the Principal Amount Outstanding most recently entered by or on behalf of the Issuer in the relevant column in Parts 2 (*Payment of Instalment Amounts*), 3 (*Redemptions*) or 4 (*Form of Bearer Definitive Covered Bond*) of Schedule One or in Schedule Two.

On any redemption or payment of an instalment or interest being made in respect of, or purchase and cancellation of, any of the Covered Bonds represented by this Global Covered Bond the Issuer shall procure that:

- (a) if the applicable Final Terms indicates that this Global Covered Bond is intended to be a New Global Covered Bond, details of such redemption, payment or purchase and cancellation (as the case may be) shall be entered *pro rata* in the records of the Relevant Clearing Systems and, upon any such entry being made, the Principal Amount Outstanding of the Covered Bonds recorded in the records of the Relevant Clearing Systems and represented by this Global Covered Bond shall be reduced by the aggregate Principal Amount Outstanding of the Covered Bonds so redeemed or purchased and cancelled or by the aggregate amount of such instalment so paid; or
- (b) if the applicable Final Terms indicates that this Global Covered Bond is not a New Global Covered Bond, details of such redemption, payment or purchase and cancellation (as the case may be) shall be entered by or on behalf of the Issuer in Schedule One and the relevant space in Schedule One recording any such redemption, payment or purchase and cancellation (as the case may be) shall be signed by or on behalf of the Issuer. Upon any such redemption, payment of an instalment or purchase and cancellation, the Principal Amount Outstanding of

the Covered Bonds represented by this Global Covered Bond shall be reduced by the Principal Amount Outstanding of the Covered Bonds so redeemed or purchased and cancelled or by the amount of such instalment so paid.

Payments due in respect of Covered Bonds for the time being represented by this Global Covered Bond shall be made to the bearer of this Global Covered Bond and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries referred to above shall not affect such discharge.

Where the Covered Bonds have initially been represented by one or more Temporary Bearer Global Covered Bonds, on any exchange of any such Temporary Bearer Global Covered Bond for this Global Covered Bond or any part of it, the Issuer shall procure that:

- (a) if the applicable Final Terms indicates that this Global Covered Bond is intended to be a New Global Covered Bond, details of such exchange shall be entered in the records of the Relevant Clearing Systems; or
- (b) if the applicable Final Terms indicates that this Global Covered Bond is not a New Global Covered Bond, details of such exchange shall be entered by or on behalf of the Issuer in Schedule Two and the relevant space in Schedule Two recording any such exchange shall be signed by or on behalf of the Issuer. Upon any such exchange, the Principal Amount Outstanding of the Covered Bonds represented by this Global Covered Bond shall be increased by the Principal Amount Outstanding of the Covered Bonds so exchanged.

In certain circumstances, further Covered Bonds may be issued which are intended on issue to be consolidated and form a single Series with the Covered Bonds. In such circumstances the Issuer shall procure that:

- (a) if the applicable Final Terms indicates that this Global Covered Bond is intended to be a New Global Covered Bond, details of such further Covered Bonds shall be entered in the records of the Relevant Clearing Systems such that the Principal Amount Outstanding of Covered Bonds represented by this Global Covered Bond may be increased by the amount of such further Covered Bonds so issued; or
- (b) if the applicable Final Terms indicates that this Global Covered Bond is not a New Global Covered Bond, details of such further Covered Bonds shall be entered by or on behalf of the Issuer in Schedule Two and the relevant space in Schedule Two recording such exchange shall be signed by or on behalf of the Issuer, whereupon the Principal Amount Outstanding of the Covered Bonds represented by this Global Covered Bond shall be increased by the Principal Amount Outstanding of any such Temporary Bearer Global Covered Bond so exchanged.

This Global Covered Bond may be exchanged in whole but not in part (free of charge) for Bearer Definitive Covered Bonds and (if applicable) Coupons, Receipts and/or Talons in the form set out in Parts 4 (*Form of Bearer Definitive Covered Bond*), 5 (*Form of Coupon*), and 6 (*Form of Receipt*), respectively, of Schedule 4 (*Form of Global and Definitive Covered Bonds, Coupons and Talons*) to the Agency Agreement (on the basis that all the appropriate details have been included on the face of such Bearer Definitive Covered Bonds and (if applicable) Coupons, Receipts and Talons and the Final Terms (or the relevant provisions of the Final Terms) have been endorsed on or attached to such Bearer Definitive Covered Bonds) either, as specified in the applicable Final Terms:

- (a) upon not less than 60 days' written notice being given to the Fiscal Agent by Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in this Global Covered Bond), which notice shall specify the date for exchange; or
- (b) only upon the occurrence of an Exchange Event.

An “**Exchange Event**” means:

- (a) an Event of Default (as defined in Condition 10 (*Events of Default*)) has occurred and is continuing for the Series of which this Global Covered Bond is a part;
- (b) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of at least 14 days (other than by reason of holiday, whether statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available; or
- (c) the Issuer has or will become subject to adverse tax consequences that would not be suffered were the Covered Bonds represented by this Global Covered Bond in definitive form.

If this Global Covered Bond is only exchangeable following the occurrence of an Exchange Event, the Issuer will promptly give notice to the applicable Covered Bondholders in accordance with Condition 14 (*Notices*):

- (a) upon the occurrence of an Exchange Event described in sub-paragraph (a) or (b) of the definition thereof above, the applicable Clearing System(s) (or any Person acting on their respective behalf), acting on the instructions of any holder of an interest in this Global Covered Bond, may give notice to the Fiscal Agent requesting such an exchange; and
- (b) in the event of the occurrence of an Exchange Event as described in sub-paragraph (c) of the definition thereof above, the Issuer may give notice to the Fiscal Agent requesting such an exchange.

Any such exchange shall occur no later than 45 days after the date of receipt of the first relevant notice by the Fiscal Agent.

Any such exchange will be made on any day (other than a Saturday or Sunday) on which banks are open for general business in London by the bearer of this Global Covered Bond. On an exchange of this Global Covered Bond, this Global Covered Bond shall be surrendered to or to the order of the Fiscal Agent. The aggregate Principal Amount Outstanding of Bearer Definitive Covered Bonds issued upon an exchange of this Global Covered Bond will be equal to the aggregate Principal Amount Outstanding of this Global Covered Bond at the time of such exchange.

Until the exchange of this Global Covered Bond, the bearer of this Global Covered Bond shall in all respects (except as otherwise provided in this Global Covered Bond) be entitled to the same benefits as if such bearer were the bearer of Bearer Definitive Covered Bonds and the relative Coupons, Receipts and/or Talons (if any) represented by this Global Covered Bond. Accordingly, except as otherwise provided in the Conditions or as ordered by a court of competent jurisdiction or as required by law or applicable regulations, the Issuer and any Paying Agent may deem and treat the holder of this Global Covered Bond as the absolute owner of this Global Covered Bond for all purposes.

In the event that this Global Covered Bond (or any part of it) has become due and repayable in accordance with the Conditions or that the Final Maturity Date or Extended Final Maturity Date, as applicable, has occurred and, in either case, payment in full of the amount due has not been made in accordance with the provisions set out above, then from 8.00 p.m. (London time) on the day immediately following the applicable due date, holders of interests in this Global Covered Bond will become entitled to proceed directly against the Issuer on the basis of statements of account provided by the applicable Relevant Clearing System on and subject to the terms of the Deed of Covenant executed by the Issuer on 30 April 2018 in respect of the Covered Bonds issued under the Programme Agreement pursuant to which this Global Covered Bond is issued and the bearer will have no further rights under this Global Covered Bond (but without prejudice to the rights that the bearer or any other Person might have under the Deed of Covenant).

No rights are conferred on any Person under the Contracts (Rights of Third Parties Act) 1999 to enforce any term of this Global Covered Bond, but this does not affect any right or remedy of any Person which exists or is available apart from that Act.

If any provision in or obligation under this Global Covered Bond is or becomes invalid, illegal or unenforceable in any respect under the Applicable Law of any jurisdiction, that will not affect or impair: (a) the validity, legality or enforceability under the Applicable Law of that jurisdiction of any other provision in or obligation under this Global Covered Bond and (b) the validity, legality or enforceability under the Applicable Law of any other jurisdiction of that or any other provision in or obligation under this Global Covered Bond.

This Global Covered Bond and any non-contractual obligations arising out of or in connection with this Global Covered Bond are governed by, and shall be construed in accordance with, English law.

This Global Covered Bond shall not be valid unless authenticated by the Fiscal Agent and, if the applicable Final Terms indicates that this Global Covered Bond is intended to be held in a manner which would allow Eurosystem eligibility, effectuated by the entity appointed as common safekeeper by the Relevant Clearing Systems.

In Witness whereof the Issuer has caused this Global Covered Bond to be duly executed on its behalf.

Türkiye İş Bankası A.Ş.

By: _____
Name:
Title:

By: _____
Name:
Title:

Authenticated without recourse, warranty or liability by

The Bank of New York Mellon, London Branch, as Fiscal Agent

By:

Effectuated without recourse, warranty or liability by

as common safekeeper

By:

Part 3
Form of Registered Global Covered Bond

[THIS COVERED BOND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OF THE UNITED STATES OF AMERICA OR ANY OTHER APPLICABLE U.S. FEDERAL OR STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT) EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN), EACH HOLDER OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN): (a) REPRESENTS (OR SHALL BE DEEMED TO REPRESENT) THAT IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYER(S), (b) AGREES (OR SHALL BE DEEMED TO AGREE) ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HOLDS THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) THAT IT WILL NOT OFFER, SELL, ASSIGN, TRANSFER, PLEDGE, ENCUMBER OR OTHERWISE DISPOSE OF SUCH SECURITIES EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND, PRIOR TO THE DATE THAT IS ONE YEAR (OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144 UNDER THE SECURITIES ACT OR ANY SUCCESSOR PROVISION THEREUNDER) AFTER THE LATER OF THE LAST ISSUE DATE FOR THE SERIES OF WHICH THIS COVERED BOND IS A PART AND THE LAST DATE ON WHICH THE ISSUER OR AN AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE ISSUER WAS THE OWNER OF SUCH SECURITIES OTHER THAN: (i) TO THE ISSUER OR ANY AFFILIATE THEREOF, (ii) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, (iii) FOR SO LONG AS THIS COVERED BOND IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT, TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (iv) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR 904 UNDER THE SECURITIES ACT OR (v) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND, IN EACH CASE, IN COMPLIANCE WITH THE SECURITIES LAWS OF THE UNITED STATES AND ALL OTHER JURISDICTIONS; PROVIDED THAT THE ISSUER SHALL HAVE THE RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (iv) OR (v) ABOVE TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATIONS AND/OR OTHER INFORMATION SATISFACTORY TO THE ISSUER, AND (c) AGREES (OR SHALL BE DEEMED TO AGREE) THAT IT WILL GIVE TO EACH PERSON TO WHOM ANY INTEREST IN THIS COVERED BOND IS OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. NO REPRESENTATION IS MADE BY THE ISSUER AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 FOR REALES OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN).]¹⁵

[THIS COVERED BOND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OF THE

¹⁵ To be included on a Rule 144A Global Covered Bond only

UNITED STATES OF AMERICA OR ANY OTHER APPLICABLE U.S. FEDERAL OR STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF: (a) WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) UNLESS THE TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND (b) EXCEPT IN COMPLIANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE UNITED STATES AND ALL OTHER JURISDICTIONS. THE HOLDER OF THIS COVERED BOND (OR OF A BENEFICIAL INTEREST HEREIN) BY ITS ACCEPTANCE HEREOF (OR OF A BENEFICIAL INTEREST HEREIN) AGREES (OR SHALL BE DEEMED TO AGREE) ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT IS HOLDING THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) THAT NO OFFER, SALE, ASSIGNMENT, TRANSFER, PLEDGE, ENCUMBRANCE OR OTHER DISPOSITION OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) SHALL BE MADE TO A U.S. PERSON PRIOR TO THE EXPIRATION OF A 40 DAY PERIOD AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING TO PERSONS OTHER THAN DISTRIBUTORS AND THE ISSUE DATE OF THE TRANCHE OF WHICH THIS COVERED BOND FORMS PART.]¹⁶

[THIS COVERED BOND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OF THE UNITED STATES OF AMERICA OR ANY OTHER APPLICABLE U.S. FEDERAL OR STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN), EACH HOLDER OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN): (a) REPRESENTS (OR SHALL BE DEEMED TO REPRESENT) THAT IT IS AN “ACCREDITED INVESTOR” (AS DEFINED IN RULE 501(A)(1), (2), (3), OR (7) UNDER THE SECURITIES ACT) THAT IS AN INSTITUTION, (b) AGREES (OR SHALL BE DEEMED TO AGREE) ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HOLDS THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) THAT IT WILL NOT OFFER, SELL, ASSIGN, TRANSFER, PLEDGE, ENCUMBER OR OTHERWISE DISPOSE OF SUCH SECURITIES EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT, THE TERMS OF THE IAI INVESTMENT LETTER IT EXECUTED IN CONNECTION WITH ITS PURCHASE OF THIS COVERED BOND (OR BENEFICIAL INTERESTS HEREIN) AND, PRIOR TO THE DATE THAT IS ONE YEAR (OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144 UNDER THE SECURITIES ACT OR ANY SUCCESSOR PROVISION THEREUNDER) AFTER THE LATER OF THE LAST ISSUE DATE FOR THE SERIES OF WHICH THIS COVERED BOND IS A PART AND THE LAST DATE ON WHICH THE ISSUER OR AN AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE ISSUER WAS THE OWNER OF SUCH SECURITIES OTHER THAN: (i) TO THE ISSUER OR ANY AFFILIATE THEREOF, (ii) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, (iii) FOR SO LONG AS THIS COVERED BOND IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT, TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (iv) IN AN OFFSHORE TRANSACTION COMPLYING

¹⁶ To be included on a Regulation S Registered Global Covered Bond only.

WITH RULE 903 OR 904 UNDER THE SECURITIES ACT OR (v) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND, IN EACH CASE, IN COMPLIANCE WITH THE SECURITIES LAWS OF THE UNITED STATES AND ALL OTHER JURISDICTIONS; PROVIDED THAT THE ISSUER SHALL HAVE THE RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (iv) OR (v) ABOVE TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATIONS AND/OR OTHER INFORMATION SATISFACTORY TO THE ISSUER, AND (c) AGREES (OR SHALL BE DEEMED TO AGREE) THAT IT WILL GIVE TO EACH PERSON TO WHOM ANY INTEREST IN THIS COVERED BOND IS OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. NO REPRESENTATION IS MADE BY THE ISSUER AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 FOR REALES OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN).]¹⁷

[FOR GLOBAL COVERED BONDS CLEARING THROUGH DTC: UNLESS THIS GLOBAL COVERED BOND IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION, (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY REGISTERED COVERED BOND ISSUED IN EXCHANGE FOR THIS GLOBAL COVERED BOND OR ANY PORTION HEREOF IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUIRED BY AN AUTHORISED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON OTHER THAN DTC OR A NOMINEE THEREOF IS WRONGFUL IN AS MUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS GLOBAL COVERED BOND MAY NOT BE EXCHANGED, IN WHOLE OR IN PART, FOR A SECURITY REGISTERED IN THE NAME OF ANY PERSON OTHER THAN DTC OR A NOMINEE THEREOF EXCEPT IN THE LIMITED CIRCUMSTANCES SET FORTH IN THIS GLOBAL COVERED BOND, AND MAY NOT BE TRANSFERRED, IN WHOLE OR IN PART, EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THIS LEGEND. BENEFICIAL INTERESTS IN THIS GLOBAL COVERED BOND MAY NOT BE TRANSFERRED EXCEPT IN ACCORDANCE WITH THIS LEGEND.]¹⁸

EACH PURCHASER AND TRANSFEREE (AND IF THE PURCHASER OR TRANSFEREE IS A PLAN, THEN ITS FIDUCIARY) OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT EITHER: (a) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WILL NOT BE, ACQUIRING OR HOLDING THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WITH THE ASSETS OF: (i) AN “EMPLOYEE BENEFIT PLAN” AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), THAT IS SUBJECT TO THE PROVISIONS OF TITLE I OF ERISA, (ii) A “PLAN” AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”), (iii) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE “PLAN ASSETS” OF ANY OF THE FOREGOING OR (iv) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN THAT IS SUBJECT TO ANY STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY

¹⁷ To be included on an IAI Global Covered Bond only.

¹⁸ To be included on a Global Covered Bond registered in the name of a nominee of DTC only.

SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (“SIMILAR LAW”), OR (b) THE ACQUISITION, HOLDING AND DISPOSITION OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A VIOLATION OF SIMILAR LAW.

THIS COVERED BOND AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDER OF THIS COVERED BOND (OR BENEFICIAL INTERESTS HEREIN) SENT TO ITS REGISTERED ADDRESS (OR, FOR HOLDERS OF BENEFICIAL INTERESTS, TO THE EXTENT FORWARDED TO THEM BY THE APPLICABLE CLEARING SYSTEM), TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS COVERED BOND (OR BENEFICIAL INTERESTS HEREIN) TO REFLECT ANY CHANGE IN APPLICABLE LAW (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO RESALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS COVERED BOND (OR OF A BENEFICIAL INTEREST HEREIN) SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF (OR OF A BENEFICIAL INTEREST HEREIN), TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING UPON THE HOLDER HEREOF (AND HOLDERS OF A BENEFICIAL INTEREST HEREIN) AND ALL FUTURE HOLDERS OF THIS COVERED BOND (AND HOLDERS OF A BENEFICIAL INTEREST HEREIN) AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION HEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).

(a) THE ISSUER AND/OR ANY PAYING AGENT MAY REQUEST EACH COVERED BONDHOLDER TO PROVIDE TO THE ISSUER AND EACH PAYING AGENT (OR ANY AGENT ACTING ON ANY OF THEIR RESPECTIVE BEHALF) ALL INFORMATION REASONABLY AVAILABLE TO IT THAT IS REASONABLY REQUESTED BY THE ISSUER AND/OR SUCH PAYING AGENT (OR ANY AGENT ACTING ON ANY OF THEIR RESPECTIVE BEHALF) IN CONNECTION WITH THE TAX SHARING LAWS AND (b) EACH OF THE ISSUER AND THE PAYING AGENTS (OR ANY AGENT ACTING ON ANY OF THEIR RESPECTIVE BEHALF) MAY: (i) PROVIDE SUCH INFORMATION, ANY RELATED DOCUMENTATION AND ANY OTHER INFORMATION CONCERNING SUCH COVERED BONDHOLDER’S INVESTMENT IN THE COVERED BONDS TO EACH OTHER AND/OR ANY RELEVANT TAX AUTHORITY (ii) TAKE SUCH OTHER STEPS AS IT MAY DEEM NECESSARY OR HELPFUL TO COMPLY WITH THE TAX SHARING LAWS; PROVIDED THAT SUCH PROVISIONS WILL NOT APPLY TO ANY COVERED BONDHOLDER THAT IS AN EXEMPT GOVERNMENT ENTITY. FOR THE PURPOSE OF CLARIFICATION, THIS IS APPLICABLE ONLY TO THE REGISTERED HOLDER OF THIS COVERED BOND AND NOT TO HOLDERS OF BENEFICIAL INTERESTS IN THIS COVERED BOND.

Türkiye İş Bankası A.Ş.

[Rule 144A]¹⁹/[Regulation S]²⁰/[IAI]²¹/Global Covered Bond

Türkiye İş Bankası A.Ş. (the “**Issuer**”) hereby certifies that [[Cede & Co]²²/[●]²³/[●]²⁴ is, at the date hereof, entered in the Register as the holder] [[the Person whose name is entered in the Register is the registered holder]] of the aggregate principal amount of [●] of a duly authorised issue of Covered Bonds (the “**Covered Bonds**”) described, and having the provisions specified, in Part A of the attached Final Terms (the “**Final Terms**”). References in this Global Covered Bond to the Conditions shall be to the Terms and Conditions of the Covered Bonds set out in Schedule 1 to the Agency Agreement (as defined below) as modified, supplemented or completed by the information set out in the Final Terms, but in the event of any conflict between the provisions of: (a) the Conditions or (b) this Global Covered Bond and the information set out in the Final Terms, the Final Terms will prevail.

Words and expressions defined or set out in the Conditions and/or the Final Terms shall have the same meaning when used in this Global Covered Bond.

This Global Covered Bond is issued subject to, and with the benefit of, the Conditions and an agency agreement (the “**Agency Agreement**” which expression shall be construed as a reference to that agreement as the same may be amended, supplemented, novated or restated from time to time) dated 21 April 2017 as last amended and restated on 5 May 2020 and made among the Issuer, The Bank of New York Mellon SA/NV, Luxembourg Branch (the “**Registrar**”) and the other Agents named in it.

Subject to and in accordance with the Conditions, the registered holder of this Global Covered Bond is entitled to receive on each Instalment Date (if the Covered Bonds are repayable in instalments) and on the Final Maturity Date or Extended Final Maturity Date, as applicable, and/or on such earlier date(s) as all or any of the Covered Bonds represented by this Global Covered Bond may become due and repayable in accordance with the Conditions, the amount payable under the Conditions in respect of the Covered Bonds on each such date and interest (if any) on the Principal Amount Outstanding of the Covered Bonds from time to time represented by this Global Covered Bond calculated and payable as provided in the Conditions together with any other sums payable under the Conditions, all in accordance with the Conditions.

On any redemption or payment of an instalment or interest being made in respect of, or purchase and cancellation of, any of the Covered Bonds represented by this Global Covered Bond, details of such redemption, payment or purchase and cancellation (as the case may be) shall be entered by the Registrar in the Register. Upon any such redemption, payment of an instalment or purchase and cancellation, the Principal Amount Outstanding of the Covered Bonds held by the registered holder hereof shall be reduced by the Principal Amount Outstanding of the Covered Bonds so redeemed or purchased and cancelled or by the amount of such instalment so paid. The Principal Amount Outstanding of the Covered Bonds held by the registered holder hereof following any such redemption, payment of an instalment or purchase and cancellation or any transfer or exchange as referred to below shall be that amount most recently entered in the Register.

Covered Bonds represented by this Global Covered Bond are transferable only in accordance with, and subject to, the provisions of this Global Covered Bond (including the legend set out above) and of Condition 2 (*Transfers of Registered Covered Bonds*) and the rules and operating procedures of [Euroclear Bank SA/NV (“**Euroclear**”), Clearstream Banking S.A. (“**Clearstream, Luxembourg**”)] [The Depository Trust Company (“**DTC**”)].

¹⁹ To be included on a Rule 144A Global Covered Bond only.

²⁰ To be included on a Regulation S Registered Global Covered Bond only.

²¹ To be included on a IAI Global Covered Bond only.

²² To be included on a Global Covered Bond registered in the name of a nominee for DTC only.

²³ To be included on a Global Covered Bond registered in the name of a nominee of a common depository for Euroclear and Clearstream, Luxembourg only.

²⁴ To be included on a Global Covered Bond registered in the name of an Institutional Accredited Investor only.

This Global Covered Bond may, subject to and as specified in the applicable Final Terms, be exchanged in whole but not in part (free of charge) for Registered Definitive Covered Bonds in the form set out in Part 8 (*Form of Registered Definitive Covered Bond*) of Schedule 4 (*Form of Global and Definitive Covered Bonds, Receipts, Coupons and Talons*) to the Agency Agreement (on the basis that all the appropriate details have been included on the face of such Registered Definitive Covered Bonds and the Final Terms (or the relevant provisions of the Final Terms) have been endorsed on or attached to such Registered Definitive Covered Bonds) only upon the occurrence of an Exchange Event.

An “**Exchange Event**” means:

- (a) an Event of Default (as defined in Condition 10 (*Events of Default*)) has occurred and is continuing for the Series of which this Global Covered Bond is a part;
- (b) either DTC has notified the Issuer that it is unwilling or unable to continue to act as a depository for the Covered Bonds and no alternative clearing system is available or DTC has ceased to constitute a clearing agency registered under the U.S. Securities Exchange Act of 1934 and no alternative clearing system is available
- (c) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of at least 14 days (other than by reason of holiday, whether statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available; or
- (d) the Issuer has or will become subject to adverse tax consequences that would not be suffered were the Covered Bonds represented by this Global Covered Bond in definitive form.

The Issuer will promptly give notice to Covered Bondholders of the Covered Bonds represented hereby in accordance with Condition 14 (*Notices*) upon the occurrence of any Exchange Event described in sub-paragraph (a), (b) or (c) of the definition thereof in the preceding paragraph, in which event the applicable Clearing System(s) (or any Person acting on their respective behalf), acting on the instructions of any holder of an interest in this Global Covered Bond, may give notice to the Registrar requesting such an exchange. In the event of the occurrence of an Exchange Event specified in sub-paragraph (d) of the definition thereof in the preceding paragraph, the Issuer may give notice to the Registrar requesting such an exchange. Any such exchange shall occur no later than 45 days after the date of receipt of the relevant notice by the Registrar.

Exchanges will be made upon presentation of this Global Covered Bond at the office of the Registrar by the holder of it on any day (other than a Saturday or Sunday) on which banks are open for general business in Luxembourg. The aggregate Principal Amount Outstanding of Registered Definitive Covered Bonds issued upon an exchange of this Global Covered Bond will be equal to the aggregate Principal Amount Outstanding of this Global Covered Bond.

On an exchange in whole of this Global Covered Bond, this Global Covered Bond shall be surrendered to the Registrar.

On any exchange or transfer following which either: (a) Covered Bonds represented by this Global Covered Bond are no longer to be so represented or (b) Covered Bonds not so represented are to be so represented, details of the transfer shall be entered by the Registrar in the Register, following which the Principal Amount Outstanding of this Global Covered Bond and the Covered Bonds held by the registered holder of this Global Covered Bond shall be increased or reduced (as the case may be) by the Principal Amount Outstanding so transferred.

Until the exchange of the whole of this Global Covered Bond, the registered holder of this Global Covered Bond shall in all respects (except as otherwise provided in this Global Covered Bond and in the Conditions) be entitled to the same benefits as if such registered holder were the registered holder of the Covered Bonds represented by this Global Covered Bond.

In the event that this Global Covered Bond (or any part of it) has become due and repayable in accordance with the Conditions or that the Final Maturity Date or Extended Final Maturity Date, as applicable, has occurred and, in either case, payment in full of the amount due has not been made in accordance with the provisions set out above, then from 8.00 p.m. (London time) on the day immediately following the applicable due date, holders of interests in this Global Covered Bond will become entitled to proceed directly against the Issuer on the basis of statements of account provided by the applicable Clearing System on and subject to the terms of the Deed of Covenant executed by the Issuer on 30 April 2018 in respect of the Covered Bonds issued under the Programme Agreement pursuant to which this Global Covered Bond is issued and the holder hereof will have no further rights under this Global Covered Bond (but without prejudice to the rights that the holder or any other Person might have under the Deed of Covenant).

This Global Covered Bond is not a document of title. Entitlements are determined by entry in the Register and only the duly registered holder from time to time is entitled to payment in respect of this Global Covered Bond.

[If this Global Covered Bond is registered in the name of a nominee for DTC, transfers of this Global Covered Bond shall be limited to transfers in whole, but not in part, to DTC or any other nominee of DTC.]

The statements in the legend set out above are an integral part of the terms of this Global Covered Bond and, by acceptance of this Global Covered Bond (or a beneficial interest herein), the registered holder of this Global Covered Bond (or holder of a beneficial interest herein) agrees (or shall be deemed to have agreed) to be subject to and bound by the terms and provisions set out in the legend.

No rights are conferred on any Person under the Contracts (Rights of Third Parties Act) 1999 to enforce any term of this Global Covered Bond, but this does not affect any right or remedy of any Person which exists or is available apart from that Act.

If any provision in or obligation under this Global Covered Bond is or becomes invalid, illegal or unenforceable in any respect under the Applicable Law of any jurisdiction, that will not affect or impair: (a) the validity, legality or enforceability under the Applicable Law of that jurisdiction of any other provision in or obligation under this Global Covered Bond and (b) the validity, legality or enforceability under the Applicable Law of any other jurisdiction of that or any other provision in or obligation under this Global Covered Bond.

This Global Covered Bond and any non-contractual obligations arising out of or in connection with this Global Covered Bond are governed by, and shall be construed in accordance with, English law.

This Global Covered Bond shall not be valid unless authenticated by the Registrar and, if the applicable Final Terms indicates that this Global Covered Bond is intended to be held under the New Safekeeping Structure, effectuated by the entity appointed as common safekeeper by Euroclear or Clearstream, Luxembourg.

In Witness whereof the Issuer has caused this Global Covered Bond to be duly executed on its behalf.

Türkiye İş Bankası A.Ş.

By: _____

Name:

Title:

By: _____

Name:

Title:

Authenticated without recourse, warranty or liability by

The Bank of New York Mellon SA/NV, Luxembourg Branch, as Registrar

By:

Part 4
Form of Bearer Definitive Covered Bond

[Face of Covered Bond]

00 000000 [ISIN] 00 000000

THIS COVERED BOND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OF THE UNITED STATES OF AMERICA OR ANY OTHER APPLICABLE U.S. FEDERAL OR STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF: (a) WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT) UNLESS THE TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND (b) EXCEPT IN COMPLIANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE UNITED STATES AND ALL OTHER JURISDICTIONS. THE HOLDER OF THIS COVERED BOND (OR OF A BENEFICIAL INTEREST HEREIN) BY ITS ACCEPTANCE HEREOF (OR OF A BENEFICIAL INTEREST HEREIN) AGREES (OR SHALL BE DEEMED TO AGREE) ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT IS HOLDING THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) THAT NO OFFER, SALE, ASSIGNMENT, TRANSFER, PLEDGE, ENCUMBRANCE OR OTHER DISPOSITION OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) SHALL BE MADE TO A U.S. PERSON PRIOR TO THE EXPIRATION OF A 40 DAY PERIOD AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING TO PERSONS OTHER THAN DISTRIBUTORS AND THE ISSUE DATE OF THE TRANCHE OF WHICH THIS COVERED BOND FORMS PART.

EACH PURCHASER AND TRANSFEREE (AND IF THE PURCHASER OR TRANSFEREE IS A PLAN, THEN ITS FIDUCIARY) OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT EITHER: (a) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WILL NOT BE, ACQUIRING OR HOLDING THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WITH THE ASSETS OF: (i) AN “EMPLOYEE BENEFIT PLAN” AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), THAT IS SUBJECT TO THE PROVISIONS OF TITLE I OF ERISA, (ii) A “PLAN” AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”), (iii) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE “PLAN ASSETS” OF ANY OF THE FOREGOING OR (iv) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN THAT IS SUBJECT TO ANY STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (“SIMILAR LAW”), OR (b) THE ACQUISITION, HOLDING AND DISPOSITION OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A VIOLATION OF SIMILAR LAW.

THIS COVERED BOND AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDER OF THIS COVERED BOND (OR BENEFICIAL INTERESTS HEREIN) SENT TO ITS REGISTERED ADDRESS (OR, FOR HOLDERS OF BENEFICIAL INTERESTS, TO THE EXTENT FORWARDED TO THEM

BY THE APPLICABLE CLEARING SYSTEM), TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THIS COVERED BOND (OR BENEFICIAL INTERESTS HEREIN) TO REFLECT ANY CHANGE IN APPLICABLE LAW (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO REALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS COVERED BOND (OR OF A BENEFICIAL INTEREST HEREIN) SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF (OR OF A BENEFICIAL INTEREST HEREIN), TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING UPON THE HOLDER HEREOF (AND HOLDERS OF A BENEFICIAL INTEREST HEREIN) AND ALL FUTURE HOLDERS OF THIS COVERED BOND (AND HOLDERS OF A BENEFICIAL INTEREST HEREIN) AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION HEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).

(a) THE ISSUER AND/OR ANY PAYING AGENT MAY REQUEST EACH COVERED BONDHOLDER TO PROVIDE TO THE ISSUER AND EACH PAYING AGENT (OR ANY AGENT ACTING ON ANY OF THEIR RESPECTIVE BEHALF) ALL INFORMATION REASONABLY AVAILABLE TO IT THAT IS REASONABLY REQUESTED BY THE ISSUER AND/OR SUCH PAYING AGENT (OR ANY AGENT ACTING ON ANY OF THEIR RESPECTIVE BEHALF) IN CONNECTION WITH THE TAX SHARING LAWS AND (b) EACH OF THE ISSUER AND THE PAYING AGENTS (OR ANY AGENT ACTING ON ANY OF THEIR RESPECTIVE BEHALF) MAY: (i) PROVIDE SUCH INFORMATION, ANY RELATED DOCUMENTATION AND ANY OTHER INFORMATION CONCERNING SUCH COVERED BONDHOLDER'S INVESTMENT IN THE COVERED BONDS TO EACH OTHER AND/OR ANY RELEVANT TAX AUTHORITY (ii) TAKE SUCH OTHER STEPS AS IT MAY DEEM NECESSARY OR HELPFUL TO COMPLY WITH THE TAX SHARING LAWS; PROVIDED THAT SUCH PROVISIONS WILL NOT APPLY TO ANY COVERED BONDHOLDER THAT IS AN EXEMPT GOVERNMENT ENTITY. FOR THE PURPOSE OF CLARIFICATION, THIS IS APPLICABLE ONLY TO THE HOLDER OF THIS COVERED BOND AND NOT TO HOLDERS OF BENEFICIAL INTERESTS IN THIS COVERED BOND.

Türkiye İş Bankası A.Ş.

[Specified Currency and Principal Amount Outstanding of Tranche] Covered Bonds due *[Year of Maturity]*

This Covered Bond is one of a duly authorised issue of Covered Bonds denominated in the Specified Currency and maturing on the Final Maturity Date or Extended Final Maturity Date, as applicable (the “**Covered Bonds**”), of Türkiye İş Bankası A.Ş. (the “**Issuer**”). References in this Covered Bond to the Conditions shall be to the Terms and Conditions [endorsed on this Covered Bond/attached to this Covered Bond/set out in Schedule 1 (*Terms and Conditions of the Covered Bonds*) to the Agency Agreement (as defined below) which shall be incorporated by reference in this Covered Bond and have effect as if set out in it] as modified, supplemented or completed by Part A of the Final Terms (the “**Final Terms**”) (or the relevant provisions of Part A of the Final Terms) endorsed on this Covered Bond but, in the event of any conflict between the provisions of the Conditions and the information in the Final Terms, the Final Terms will prevail.

This Covered Bond is issued subject to, and with the benefit of, the Conditions and an agency agreement (the “**Agency Agreement**”, which expression shall be construed as a reference to that agreement as the same may be amended, supplemented, novated or restated from time to time) dated 21 April 2017 as last amended and restated on 5 May 2020 and made among the Issuer, The Bank of New York Mellon, London Branch (the “**Fiscal Agent**”) and the other agents named in it.

For value received, the Issuer, subject to and in accordance with the Conditions, promises to pay to the bearer of this Covered Bond on each Instalment Date (if this Covered Bond is repayable in instalments) and on the Final Maturity Date or Extended Final Maturity Date, as applicable, and/or on such earlier date(s) as this Covered Bond may become due and repayable in accordance with the Conditions, the amount payable under the Conditions in respect of this Covered Bond on each such date and to pay interest (if any) on this Covered Bond calculated and payable as provided in the Conditions together with any other sums payable under the Conditions.

If any provision in or obligation under this Covered Bond is or becomes invalid, illegal or unenforceable in any respect under the Applicable Law of any jurisdiction, that will not affect or impair: (a) the validity, legality or enforceability under the Applicable Law of that jurisdiction of any other provision in or obligation under this Covered Bond and (b) the validity, legality or enforceability under the Applicable Law of any other jurisdiction of that or any other provision in or obligation under this Covered Bond.

This Covered Bond shall not be validly issued unless authenticated by the Fiscal Agent.

In Witness whereof the Issuer has caused this Covered Bond to be duly executed on its behalf.

Türkiye İş Bankası A.Ş.

By:
Name:
Title:

By:
Name:
Title:

Authenticated without recourse, warranty or liability by

The Bank of New York Mellon, London Branch, as Fiscal Agent

By: _____

[Reverse of Covered Bond]

Terms and Conditions

*[Terms and Conditions to be as set out
in Schedule 1 to the Agency Agreement]*

Final Terms

*[Here may be set out text of Final Terms
relating to the Covered Bonds]*

Part 5
Form of Coupon

[Face of Coupon]

Türkiye İş Bankası A.Ş.

[Specified Currency and Principal Amount Outstanding of Tranche]
Covered Bonds due [Year of Maturity]

Part A

For Fixed Rate Covered Bonds:

This Coupon is payable to bearer, separately negotiable and subject to the Terms and Conditions of the Covered Bonds to which it appertains.

Coupon for
[●]
due on
[●]

Part B

For Floating Rate Covered Bonds

Coupon for the amount due in accordance with the Terms and Conditions of the Covered Bonds to which it appertains on the Interest Payment Date falling in [●].

Coupon due
in [●]

This Coupon is payable to bearer, separately negotiable and subject to such Terms and Conditions, under which it may become void before its due date.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(J) AND 1287(A) OF THE INTERNAL REVENUE CODE.

00 000000 [ISIN] 00 0000000

Part 6
Form of Receipt

[Face of Receipt]

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(J) AND 1287(A) OF THE INTERNAL REVENUE CODE.

Türkiye İş Bankası A.Ş.

[Specified Currency and Principal Amount Outstanding of Tranche]* Covered Bonds due *[Year of Final Maturity]

Series No. [●]

Receipt for the sum of [●] being the instalment of principal payable in accordance with the Terms and Conditions endorsed on the Covered Bond to which this Receipt appertains (the “**Conditions**”) on [●].

This Receipt is issued subject to and in accordance with the Conditions, which shall be binding upon the holder of this Receipt (whether or not it is for the time being attached to the Covered Bond), and is payable at the specified office of any of the Paying Agents set out on the reverse of the Covered Bond to which this Receipt appertains (and/or any other or further Paying Agents and/or specified offices as may from time to time be duly appointed and notified to the Covered Bondholders).

This Receipt must be presented for payment together with the Covered Bond to which it appertains. The Issuer shall have no obligation in respect of any Receipt presented without the Covered Bond to which it appertains or any unmatured Receipts.

Türkiye İş Bankası A.Ş.

By:
Name:
Title:

By:
Name:
Title:

TÜRKİYE İŞ BANKASI A.Ş.
İş Kuleleri
34330 Levent / İstanbul
Turkey
is.sf@isbank.com.tr

Part 7
Form of Talon

[*Form of Talon*]

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(J) AND 1287(A) OF THE INTERNAL REVENUE CODE.

Türkiye İş Bankası A.Ş.

[*Specified Currency and Principal Amount Outstanding of Tranche*] Covered Bonds due [Year of Maturity]

Series No. [●]

On and after [●], further Coupons [and a further Talon] appertaining to the Covered Bond to which this Talon appertains will be issued at the specified office of any of the Paying Agents set out on the reverse hereof (and/or any other or further Paying Agents and/or specified offices as may from time to time be duly appointed and notified to the Covered Bondholders) upon production and surrender of this Talon.

This Talon may, in certain circumstances, become void under the Terms and Conditions endorsed on the Covered Bond to which this Talon appertains.

Türkiye İş Bankası A.Ş.

By:
Name:
Title:

By:
Name:
Title:

TÜRKİYE İŞ BANKASI A.Ş.

İş Kuleleri
34330 Levent / İstanbul
Turkey
is.sf@isbank.com.tr

[Reverse of Coupon, Receipt and Talon]

Fiscal Agent

[•]

Other Paying Agents

[•]

and/or such other or further Fiscal Agent or other Paying Agents and/or specified offices as may from time to time be duly appointed by the Issuer and notice of which has been given to the Covered Bondholders.

Part 8
Form of Registered Definitive Covered Bond

Türkiye İş Bankası A.Ş.

[Specified Currency and Principal Amount Outstanding of Tranche] Covered Bonds due *[Year of Maturity]*

[THIS COVERED BOND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OF THE UNITED STATES OF AMERICA OR ANY OTHER APPLICABLE U.S. FEDERAL OR STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN), EACH HOLDER OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN): (a) REPRESENTS (OR SHALL BE DEEMED TO REPRESENT) THAT IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYER(S), (b) AGREES (OR SHALL BE DEEMED TO AGREE) ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HOLDS THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) THAT IT WILL NOT OFFER, SELL, ASSIGN, TRANSFER, PLEDGE, ENCUMBER OR OTHERWISE DISPOSE OF SUCH SECURITIES EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND, PRIOR TO THE DATE THAT IS ONE YEAR (OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144 UNDER THE SECURITIES ACT OR ANY SUCCESSOR PROVISION THEREUNDER) AFTER THE LATER OF THE LAST ISSUE DATE FOR THE SERIES OF WHICH THIS COVERED BOND IS A PART AND THE LAST DATE ON WHICH THE ISSUER OR AN AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE ISSUER WAS THE OWNER OF SUCH SECURITIES OTHER THAN: (i) TO THE ISSUER OR ANY AFFILIATE THEREOF, (ii) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, (iii) FOR SO LONG AS THIS COVERED BOND IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT, TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (iv) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR 904 UNDER THE SECURITIES ACT OR (v) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND, IN EACH CASE, IN COMPLIANCE WITH THE SECURITIES LAWS OF THE UNITED STATES AND ALL OTHER JURISDICTIONS; PROVIDED THAT THE ISSUER SHALL HAVE THE RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (iv) OR (v) ABOVE TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATIONS AND/OR OTHER INFORMATION SATISFACTORY TO THE ISSUER, AND (c) AGREES (OR SHALL BE DEEMED TO AGREE) THAT IT WILL GIVE TO EACH PERSON TO WHOM ANY INTEREST IN THIS COVERED BOND IS OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. NO REPRESENTATION IS MADE BY THE ISSUER AS TO THE

AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 FOR REALES OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN).]²⁵

[THIS COVERED BOND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OF THE UNITED STATES OF AMERICA OR ANY OTHER APPLICABLE U.S. FEDERAL OR STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF: (a) WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) UNLESS THE TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND (b) EXCEPT IN COMPLIANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE UNITED STATES AND ALL OTHER JURISDICTIONS. THE HOLDER OF THIS COVERED BOND (OR OF A BENEFICIAL INTEREST HEREIN) BY ITS ACCEPTANCE HEREOF (OR OF A BENEFICIAL INTEREST HEREIN) AGREES (OR SHALL BE DEEMED TO AGREE) ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT IS HOLDING THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) THAT NO OFFER, SALE, ASSIGNMENT, TRANSFER, PLEDGE, ENCUMBRANCE OR OTHER DISPOSITION OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) SHALL BE MADE TO A U.S. PERSON PRIOR TO THE EXPIRATION OF A 40 DAY PERIOD AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING TO PERSONS OTHER THAN DISTRIBUTORS AND THE ISSUE DATE OF THE TRANCHE OF WHICH THIS COVERED BOND FORMS PART.]²⁶

[THIS COVERED BOND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OF THE UNITED STATES OF AMERICA OR ANY OTHER APPLICABLE U.S. FEDERAL OR STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN), EACH HOLDER OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN): (a) REPRESENTS (OR SHALL BE DEEMED TO REPRESENT) THAT IT IS AN “ACCREDITED INVESTOR” (AS DEFINED IN RULE 501(A)(1), (2), (3), OR (7) UNDER THE SECURITIES ACT) THAT IS AN INSTITUTION, (b) AGREES (OR SHALL BE DEEMED TO AGREE) ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HOLDS THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) THAT IT WILL NOT OFFER, SELL, ASSIGN, TRANSFER, PLEDGE, ENCUMBER OR OTHERWISE DISPOSE OF SUCH SECURITIES EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT, THE TERMS OF THE IAI INVESTMENT LETTER IT EXECUTED IN CONNECTION WITH ITS PURCHASE OF THIS COVERED BOND (OR BENEFICIAL INTERESTS HEREIN) AND, PRIOR TO THE DATE THAT IS ONE YEAR (OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144 UNDER THE SECURITIES ACT OR ANY SUCCESSOR PROVISION THEREUNDER) AFTER THE LATER OF THE LAST ISSUE DATE FOR THE SERIES OF WHICH THIS COVERED BOND IS A PART AND THE LAST DATE ON WHICH THE ISSUER OR AN AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE ISSUER WAS THE OWNER OF SUCH

²⁵ To be included on a Rule 144A Registered Definitive Covered Bond Only.

²⁶ To be included on a Regulation S Registered Definitive Covered Bond Only.

SECURITIES OTHER THAN: (i) TO THE ISSUER OR ANY AFFILIATE THEREOF, (ii) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, (iii) FOR SO LONG AS THIS COVERED BOND IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT, TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (iv) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR 904 UNDER THE SECURITIES ACT OR (v) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND, IN EACH CASE, IN COMPLIANCE WITH THE SECURITIES LAWS OF THE UNITED STATES AND ALL OTHER JURISDICTIONS; PROVIDED THAT THE ISSUER SHALL HAVE THE RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (iv) OR (v) ABOVE TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATIONS AND/OR OTHER INFORMATION SATISFACTORY TO THE ISSUER, AND (c) AGREES (OR SHALL BE DEEMED TO AGREE) THAT IT WILL GIVE TO EACH PERSON TO WHOM ANY INTEREST IN THIS COVERED BOND IS OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. NO REPRESENTATION IS MADE BY THE ISSUER AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 FOR REALES OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN).]²⁷

[FOR GLOBAL COVERED BONDS CLEARING THROUGH DTC: UNLESS THIS GLOBAL COVERED BOND IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION, (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY REGISTERED COVERED BOND ISSUED IN EXCHANGE FOR THIS GLOBAL COVERED BOND OR ANY PORTION HEREOF IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUIRED BY AN AUTHORISED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON OTHER THAN DTC OR A NOMINEE THEREOF IS WRONGFUL IN AS MUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS GLOBAL COVERED BOND MAY NOT BE EXCHANGED, IN WHOLE OR IN PART, FOR A SECURITY REGISTERED IN THE NAME OF ANY PERSON OTHER THAN DTC OR A NOMINEE THEREOF EXCEPT IN THE LIMITED CIRCUMSTANCES SET FORTH IN THIS GLOBAL COVERED BOND, AND MAY NOT BE TRANSFERRED, IN WHOLE OR IN PART, EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THIS LEGEND. BENEFICIAL INTERESTS IN THIS GLOBAL COVERED BOND MAY NOT BE TRANSFERRED EXCEPT IN ACCORDANCE WITH THIS LEGEND.]²⁸

EACH PURCHASER AND TRANSFEREE (AND IF THE PURCHASER OR TRANSFEREE IS A PLAN, THEN ITS FIDUCIARY) OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT EITHER: (a) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WILL NOT BE, ACQUIRING OR HOLDING THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WITH THE

²⁷ To be included on an IAI Registered Definitive Covered Bond only.

²⁸ To be included on a Global Covered Bond registered in the name of a nominee of DTC only.

ASSETS OF: (i) AN “EMPLOYEE BENEFIT PLAN” AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), THAT IS SUBJECT TO THE PROVISIONS OF TITLE I OF ERISA, (ii) A “PLAN” AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”), (iii) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE “PLAN ASSETS” OF ANY OF THE FOREGOING OR (iv) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN THAT IS SUBJECT TO ANY STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (“SIMILAR LAW”), OR (b) THE ACQUISITION, HOLDING AND DISPOSITION OF THIS COVERED BOND (OR A BENEFICIAL INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A VIOLATION OF SIMILAR LAW.

THIS COVERED BOND AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDER OF THIS COVERED BOND (OR BENEFICIAL INTERESTS HEREIN) SENT TO ITS REGISTERED ADDRESS (OR, FOR HOLDERS OF BENEFICIAL INTERESTS, TO THE EXTENT FORWARDED TO THEM BY THE APPLICABLE CLEARING SYSTEM), TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS COVERED BOND (OR BENEFICIAL INTERESTS HEREIN) TO REFLECT ANY CHANGE IN APPLICABLE LAW (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO RESALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS COVERED BOND (OR OF A BENEFICIAL INTEREST HEREIN) SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF (OR OF A BENEFICIAL INTEREST HEREIN), TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING UPON THE HOLDER HEREOF (AND HOLDERS OF A BENEFICIAL INTEREST HEREIN) AND ALL FUTURE HOLDERS OF THIS COVERED BOND (AND HOLDERS OF A BENEFICIAL INTEREST HEREIN) AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION HEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).

(a) THE ISSUER AND/OR ANY PAYING AGENT MAY REQUEST EACH COVERED BONDHOLDER TO PROVIDE TO THE ISSUER AND EACH PAYING AGENT (OR ANY AGENT ACTING ON ANY OF THEIR RESPECTIVE BEHALF) ALL INFORMATION REASONABLY AVAILABLE TO IT THAT IS REASONABLY REQUESTED BY THE ISSUER AND/OR SUCH PAYING AGENT (OR ANY AGENT ACTING ON ANY OF THEIR RESPECTIVE BEHALF) IN CONNECTION WITH THE TAX SHARING LAWS AND (b) EACH OF THE ISSUER AND THE PAYING AGENTS (OR ANY AGENT ACTING ON ANY OF THEIR RESPECTIVE BEHALF) MAY: (i) PROVIDE SUCH INFORMATION, ANY RELATED DOCUMENTATION AND ANY OTHER INFORMATION CONCERNING SUCH COVERED BONDHOLDER’S INVESTMENT IN THE COVERED BONDS TO EACH OTHER AND/OR ANY RELEVANT TAX AUTHORITY (ii) TAKE SUCH OTHER STEPS AS IT MAY DEEM NECESSARY OR HELPFUL TO COMPLY WITH THE TAX SHARING LAWS; PROVIDED THAT SUCH PROVISIONS WILL NOT APPLY TO ANY COVERED BONDHOLDER THAT IS AN EXEMPT GOVERNMENT ENTITY. FOR THE PURPOSE OF CLARIFICATION, THIS IS APPLICABLE ONLY TO THE REGISTERED HOLDER OF THIS COVERED BOND AND NOT TO HOLDERS OF BENEFICIAL INTERESTS IN THIS COVERED BOND.

Türkiye İş Bankası A.Ş. (the “**Issuer**”) hereby certifies that [●] is/are, at the date of this Covered Bond, entered in the Register as the holder(s) of the aggregate principal amount of [●] of a duly authorised issue of Covered Bonds (the “**Covered Bonds**”) described, and having the provisions

specified, in Part A of the attached Final Terms (the “**Final Terms**”). References in this Covered Bond to the Conditions shall be to the Terms and Conditions [endorsed on this Covered Bond/attached to this Covered Bond/set out in Schedule 1 (*Terms and Conditions of the Covered Bonds*) to the Agency Agreement (as defined below)] as modified, supplemented or completed by information set out in the Final Terms but, in the event of any conflict between the provisions of the Conditions and the information in the Final Terms, the Final Terms will prevail.

Words and expressions defined or set out in the Conditions and/or the Final Terms shall have the same meaning when used in this Covered Bond.

This Covered Bond is issued subject to, and with the benefit of, the Conditions and an agency agreement (the “**Agency Agreement**”, which expression shall be construed as a reference to that agreement as the same may be amended, supplemented, novated or restated from time to time) dated 21 April 2017 as last amended and restated on 5 May 2020 and made among the Issuer, The Bank of New York Mellon SA/NV, Luxembourg Branch (the “**Registrar**”) and the other parties named in it.

Subject to and in accordance with the Conditions, the registered holder(s) of this Covered Bond is/are entitled to receive on each Instalment Date (if this Covered Bond is repayable in instalments) and on the Final Maturity Date or Extended Final Maturity Date, as applicable, and/or on such earlier date(s) as this Covered Bond may become due and repayable in accordance with the Conditions, the amount payable under the Conditions in respect of this Covered Bond on each such due date and interest (if any) on this Covered Bond calculated and payable as provided in the Conditions together with any other sums payable under the Conditions, all in accordance with the Conditions.

This Covered Bond is not a document of title. Entitlements are determined by entry in the Register and only the duly registered holder from time to time is entitled to payment in respect of this Covered Bond.

The statements in the legend set out above are an integral part of the terms of this Covered Bond and, by acceptance of this Covered Bond, the registered holder of this Covered Bond agrees to be subject to and bound by the terms and provisions set out in the legend.

If any provision in or obligation under this Covered Bond is or becomes invalid, illegal or unenforceable in any respect under the Applicable Law of any jurisdiction, that will not affect or impair: (a) the validity, legality or enforceability under the Applicable Law of that jurisdiction of any other provision in or obligation under this Covered Bond and (b) the validity, legality or enforceability under the Applicable Law of any other jurisdiction of that or any other provision in or obligation under this Covered Bond.

This Covered Bond shall not be valid unless authenticated by the Registrar.

In Witness whereof the Issuer has caused this Covered Bond to be duly executed on its behalf.

Türkiye İş Bankası A.Ş.

By:
Name:
Title:

By:
Name:
Title:

TÜRKİYE İŞ BANKASI A.Ş.

İş Kuleleri

34330 Levent / İstanbul

Turkey

is.sf@isbank.com.tr

Authenticated without recourse, warranty or liability by

The Bank of New York Mellon SA/NV, Luxembourg Branch, as Registrar

By: _____

Form of Transfer

For Value Received the undersigned hereby sell(s), assign(s) and transfer(s) to

.....
.....
.....

(Please print or type name and address (including postal code) of transferee)

[Specified Currency] [●] Principal Amount Outstanding of this Covered Bond and all rights hereunder, hereby irrevocably constituting and appointing [●] as attorney to transfer such Principal Amount Outstanding of this Covered Bond in the register maintained on behalf of Türkiye İş Bankası A.Ş. with full power of substitution.

Signature(s)

Date:

Covered Bond:

- This form of transfer must be accompanied by such documents, evidence and information as may be required pursuant to the Conditions (including, if required, a duly completed certification in the forms set out in Schedule 6 (*Form of Transfer Certificate*) and Schedule 7 (*Form of IAI Investment Letter*), respectively, to the Agency Agreement) and must be executed under the hand of the transferor or, if the transferor is a corporation, either under its common seal or under the hand of two of its officers duly authorised in writing and, in such latter case, the document so authorising such officers must be delivered with this form of transfer.

The signature(s) on this form of transfer must correspond with the name(s) as it/they appear(s) on the face of this Covered Bond in every particular, without alteration or enlargement or any change whatever.

Schedule 5

Form of Deed Poll

This Deed Poll (this “**Deed**”) is made on 30 April 2018 by Türkiye İş Bankası A.Ş., a banking institution organised as a joint stock company (*anonim şirket*) under the laws of Turkey with its registered office at İş Kuleleri 34330 Levent, Beşiktaş, İstanbul, Turkey with LEI 789000FIRX9MDN0KTM91 (the “**Bank**” or the “**Issuer**”) in favour of Holders and prospective purchasers (each term as defined below).

Whereas:

- (A) The Issuer has entered into a Programme Agreement dated 21 April 2017 as amended and restated on 30 April 2018 with the Dealers (the “**Dealers**”) and Arrangers specified therein relating to the offering and sale of debt securities of the Issuer (the “**Securities**”) on the terms and conditions set forth therein (such agreement, as amended, supplemented, novated or restated from time to time is referred to below as the “**Programme Agreement**”).
- (B) The Issuer, in order to ensure compliance with Rule 144A under the United States Securities Act of 1933, as amended (the “**Securities Act**”), in connection with resales of the Securities, has agreed to comply with the information delivery requirements of Rule 144A(d)(4) under the Securities Act.

Now this Deed witnesseth as follows and is made by way of deed poll:

1. Definitions

Capitalised terms used but not defined in this Deed shall have the same meanings given to them in the Programme Agreement.

2. Furnishing Of Information

The Issuer undertakes that so long as any of the Securities are “**restricted securities**” within the meaning of Rule 144(a)(3) under the Securities Act, during any period when it is not subject to and in compliance with the reporting requirements of Section 13 or 15(d) of the United States Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), or it is not exempt from such reporting requirements pursuant to and in compliance with Rule 12g3-2(b) under the Exchange Act, it will provide to each holder or beneficial owner (each a “**Holder**”) of such restricted securities and to each prospective purchaser (as designated by any Holder), upon the request of a Holder or prospective purchaser, the information required to be provided pursuant to Rule 144A(d)(4) under the Securities Act.

3. Benefit

This Deed shall take effect as a Deed Poll for the benefit of the Holders and the prospective purchasers of the restricted securities from time to time. This Deed shall be deposited with and held by the Registrar until all the obligations of the Issuer under this Deed have been discharged in full.

The Issuer acknowledges the right of every Holder and prospective purchaser of restricted securities to the production of, and the right of every Holder and prospective purchaser of the restricted securities to obtain (upon payment of a reasonable charge) a copy of, this Deed, and further acknowledges and covenants that the obligations binding upon it contained in this Deed are owed to, and shall be for the account of, each and every Holder and prospective purchaser of the restricted securities, and that each Holder and prospective purchaser of the restricted securities shall be entitled severally to enforce those obligations against the Issuer.

4. **Stamp Duties**

The Issuer will pay any stamp and other duties and taxes, including interest and penalties, payable on or in connection with the execution of this Deed and any action taken by any Holder or prospective purchaser of the restricted securities to enforce the provisions of this Deed.

5. **Warranties**

The Issuer represents, warrants and covenants with each Holder and prospective purchaser of the restricted securities that it has all corporate power, and has taken all necessary corporate or other steps, to enable it to execute, deliver and perform this Deed, and that this Deed constitutes a legal, valid and binding obligation of the Issuer enforceable in accordance with its terms subject to the laws of bankruptcy and other laws affecting the rights of creditors generally.

6. **Contracts (Rights of Third Parties) Act 1999**

Other than the Holders and prospective purchasers of the restricted securities and (in relation to Clause 7.3 below) the Security Agent, a Person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

7. **Governing Law**

- 7.1 This Deed and any non-contractual obligations arising out of or in connection with this Deed are governed by, and shall be construed in accordance with, the laws of England and Wales.
- 7.2 Subject to Clause 7.3, the Issuer agrees for the benefit of the Holders and the prospective purchasers that the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgement or order originally of the High Court of Justice of England and Wales) are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Deed (including any dispute relating to any non-contractual obligations arising out of or in connection with this Deed) and accordingly submits to the exclusive jurisdiction of the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgement or order originally of the High Court of Justice of England and Wales).
- 7.3 Notwithstanding Clause 7.2, each Holder and the prospective purchasers of the restricted securities may take any suit, action or proceedings (including any proceedings relating to any non-contractual obligations arising out of or in connection with this Deed) (together referred to as “**Proceedings**”) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions. In connection with any Proceedings, service of process may be made upon the Issuer at any of its branches or other offices in England (with the current address of its branch in England being 8 Princes Street, London, EC2R 8HL, England) and the Issuer undertakes that in the event that it ceases to have an office in England, it will promptly appoint another Person as its agent for that purpose. Failing that, the Issuer acknowledges and agrees for the benefit of the Security Agent and the Relevant Account Holders that if the Issuer does not appoint a new process agent within a reasonable time, the Security Agent may appoint another agent for this purpose; *provided* that the Issuer may thereafter appoint a replacement therefor.
- 7.4 The Issuer agrees, without prejudice to the enforcement or recognition of a judgment obtained in the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgement or order originally of the High Court of Justice of England and Wales) according to the relevant provisions of the

International Private and Procedural Law of Turkey (Law No. 5718), that in the event that any action is brought in relation to the Issuer in a court in Turkey in connection with this Deed, in addition to other permissible legal evidence pursuant to the Civil Procedure Code of Turkey (Law No. 6100), any judgment obtained in the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgement or order originally of the High Court of Justice of England and Wales) in connection with such action shall constitute conclusive evidence of the existence and amount of the claim against the Issuer pursuant to the provisions of the first sentence of Article 193 of the Civil Procedure Code of Turkey (Law No. 6100) and Articles 58 and 59 of the International Private and Procedural Law of Turkey (Law No. 5718).

In Witness whereof this Deed has been entered into as a deed poll by the Issuer on the date which appears first on page 1.

Executed as a deed

Türkiye İş Bankası A.Ş.

By: _____

Name: Özgür Temel

Title: Division Head

By: _____

Name: Gamze Yalçın

Title: Deputy Chief Executive

Schedule 6

Form of Transfer Certificate

[This certificate is not required for transfers of interests in a Registered Global Covered Bond to Persons who wish to hold the transferred interest in the same Registered Global Covered Bond]

[Date]

To: [NTD. Insert name of Transfer Agent]
[NTD. Insert name of Registrar]
Türkiye İş Bankası A.Ş.

Türkiye İş Bankası A.Ş. (the “Issuer”)
[Title of Series of Covered Bonds] (the “Covered Bonds”)
issued pursuant to a Global Covered Bond Programme (the “Programme”)

Reference is made to the terms and conditions of the Covered Bonds (the “**Conditions**”) set out in Schedule 1 to the agency agreement (the “**Agency Agreement**”) dated 21 April 2017 as last amended and restated on 5 May 2020 and as supplemented, amended, novated or restated from time to time, among the Issuer and the other parties named in it relating to the Programme. Terms defined in the Conditions or the Agency Agreement shall have the same meanings when used in this Certificate unless otherwise stated.

This certificate relates to *[insert Specified Currency and Principal Amount Outstanding of Covered Bonds]* of Covered Bonds which are held in the form of [one or more IAI Definitive Covered Bonds bearing a restrictive legend (CUSIP No. *[specify]*, serial numbers *[specify]*)]²⁹ [beneficial interests in one or more Regulation S Covered Bonds (ISIN No. *[specify]*) represented by a Regulation S Registered Global Covered Bond] [beneficial interests in one or more Rule 144A Covered Bonds (ISIN No. *[specify]*) represented by [a Rule 144A Global Covered Bond][an IAI Global Covered Bond]] in the name of *[transferor]* (the “**Transferor**”). The Transferor has requested an exchange or transfer of such beneficial interest (the “**Transferred Interest**”) for an interest in [Definitive Covered Bonds]* [Regulation S Covered Bonds represented by a Regulation S Registered Global Covered Bond]* [Rule 144A Covered Bonds represented by a Rule 144A Global Covered Bond][Covered Bonds represented by an IAI Global Covered Bond]*.

In connection therewith, the Transferor certifies that such exchange or transfer has been effected in accordance with the transfer restrictions set forth in the Covered Bonds and in accordance with any applicable securities laws of the United States of America, any State of the United States of America or all other jurisdictions [and any applicable rules and regulations of [DTC][Euroclear and Clearstream, Luxembourg]] from time to time and, accordingly, the Transferor certifies as follows (terms used in this paragraph that are defined in [Rule 144A] [Regulation S] are used herein as defined therein):

Either:

- (1) the offer of the Transferred Interest was made in an offshore transaction in accordance with the requirements of Rule 904(a)(i) of the Securities Act;
- (2) no directed selling efforts relating to the Transferred Interest have been made in contravention of the requirement of Rule 904(a)(2) of Regulation S;
- (3) the conditions of Rule 904(b) have been satisfied; and

²⁹ Delete as appropriate.

- (4) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act.]³⁰

Or:

[Such Transferred Interest is being transferred in accordance with Rule 144A to a transferee that the Transferor reasonably believes is purchasing the Transferred Interest for its own account or any account with respect to which the transferee and any such account is a “qualified institutional buyer” within the meaning of Rule 144A, in each case in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of the States of the United States and all other jurisdictions.]³¹

[Or:

[The transferee of such Transferred Interest is an institutional “accredited investor” within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act which has delivered an IAI Investment Letter.]³²

Or:

[The Transferred Interest is being transferred in a transaction permitted by Rule 144 under the Securities Act.]²⁶

The Transferor understands that this certificate is required in connection with certain securities or other legislation in the United States and/or in connection with the Covered Bonds being eligible for clearance in one or more clearance systems. If administrative or legal proceedings are commenced or threatened in connection with which this certificate is or might be relevant, the Transferor irrevocably authorises each entity to which this certificate is addressed to produce this certificate or a copy hereof to any interested party in such proceedings.

THE TRANSFEROR AGREES: (a) TO PROVIDE TO THE ISSUER AND EACH PAYING AGENT (OR ANY AGENT ACTING ON ANY OF THEIR RESPECTIVE BEHALF) ALL INFORMATION REASONABLY AVAILABLE TO IT THAT IS REASONABLY REQUESTED BY THE ISSUER AND/OR SUCH PAYING AGENT (OR ANY AGENT ACTING ON ANY OF THEIR RESPECTIVE BEHALF) IN CONNECTION WITH THE TAX SHARING LAWS AND (b) EACH OF THE ISSUER AND THE PAYING AGENTS (OR ANY AGENT ACTING ON ANY OF THEIR RESPECTIVE BEHALF) MAY: (i) PROVIDE SUCH INFORMATION, ANY RELATED DOCUMENTATION AND ANY OTHER INFORMATION CONCERNING THE TRANSFEROR’S INVESTMENT IN THE COVERED BONDS TO EACH OTHER AND/OR ANY RELEVANT TAX AUTHORITY AND (ii) TAKE SUCH OTHER STEPS AS IT MAY DEEM NECESSARY OR HELPFUL TO COMPLY WITH THE TAX SHARING LAWS.³³

This certificate and the statements contained herein are made for the benefit of the addressees hereof.

³⁰ Include as applicable. Relevant only if the proposed transfer or exchange is being made to a person holding in the form of or for a beneficial interest in one or more Regulation S Registered Global Covered Bonds.

³¹ Include as applicable. Relevant only if the proposed transfer or exchange is being made to a person holding in the form of or for a beneficial interest in one or more Rule 144A Global Covered Bonds.

³² Include as applicable.

³³ This paragraph can be excluded when the Transferor is an Exempt Government Entity.

This certificate and any non-contractual obligations arising out of or in connection with this certificate are governed by, and shall be construed in accordance with, English law.

[Insert name of Transferor]

By:

Name:

Title:

Dated:

Schedule 7

Form of IAI Investment Letter

[Date]

To: Türkiye İş Bankası A.Ş.
[●] [NTD. Insert name of Registrar.]

Dear Sirs,

In connection with our proposed purchase of [*insert Specified Currency and principal amount of Covered Bonds*] aggregate Principal Amount Outstanding of [*Title*] Covered Bonds due [*year*] (the “**Covered Bonds**”) of Türkiye İş Bankası A.Ş. (the “**Issuer**”) under its Global Covered Bond Programme, we confirm that:

1. We have received a copy of the Base Prospectus (the “**Base Prospectus**”) dated 5 May 2020 relating to the Covered Bonds and such other information as we deem necessary in order to make our investment decision.
2. We understand that any subsequent transfer of the Covered Bonds (or beneficial interests therein) is subject to certain restrictions and conditions set forth in the Base Prospectus and the Covered Bonds and the undersigned agrees to be bound by, and not to resell, pledge or otherwise transfer the Covered Bonds (or beneficial interests therein) except in compliance with, such restrictions and conditions and the United States Securities Act of 1933, as amended (the “**Securities Act**”).
3. We understand that the Covered Bonds have not been and will not be registered under the Securities Act or any other U.S. federal or state securities laws and that the Covered Bonds may not be offered or sold except as permitted in the following sentence. We agree, on our own behalf and on behalf of any accounts for which we are acting as hereinafter stated, not to offer, sell, pledge or otherwise transfer the Covered Bonds (or beneficial interests therein) except: (a) to the Issuer or any affiliate thereof, (b) to a Person whom we reasonably believe is a qualified institutional buyer within the meaning of Rule 144A under the Securities Act purchasing for its own account or for the account of a qualified institutional buyer in a transaction which meets the requirements of Rule 144A, (c) to an Institutional Accredited Investor (as defined in the Base Prospectus) that, prior to such transfer, furnishes to the Issuer a signed letter, substantially identical to this letter, containing certain representations and agreements relating to the transfer of the Covered Bonds (or beneficial interests therein), (d) in an “offshore transaction” in compliance with Rule 903 or Rule 904 under the Securities Act, (e) pursuant to an effective registration statement under the Securities Act or (f) pursuant to any other available exemption from the registration requirements of the Securities Act, in each case, in accordance with any applicable securities laws of the United States and all other jurisdictions. We understand that, on any proposed resale of any Covered Bonds (or beneficial interests therein), we and each subsequent holder will be required to deliver to the transferee of the Covered Bonds (or a beneficial interest therein) a notice substantially to the foregoing effect.
4. We understand that, on any proposed resale of any Covered Bonds (or beneficial interests therein), we will be required to furnish to the Issuer such certifications, legal opinions, and other information (including a letter substantially similar to this one from any purchaser who is an Institutional Accredited Investor) purchasing in a Transaction other than under Rule 144A as it may reasonably require to confirm that the proposed sale complies with the foregoing restrictions. We further understand that the Covered Bonds purchased by us (or beneficial interests in which are purchased by us) will bear a legend to substantially the foregoing effect.

5. In the normal course of business, we invest in or purchase securities similar to the Covered Bonds.
6. We are an “accredited investor” within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act that is an institution (an “**Institutional Accredited Investor**”) and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of our investment in the Covered Bonds, and we and any accounts for which we are acting are each able to bear the economic risk of our or its investment in the Covered Bonds for an indefinite period of time.
7. We are acquiring the Covered Bonds (or beneficial interests therein) for our own account or for one or more accounts (each of which is an Institutional Accredited Investor) as to each of which we exercise sole investment discretion, and not with a view to any distribution of the Covered Bonds (or beneficial interests therein), subject, nevertheless, to the understanding that the disposition of our property shall at all times be and remain within our control.
8. We are acquiring Covered Bonds (or beneficial interests therein) having a minimum purchase price of at least [the approximate equivalent to] [*insert where the Specified Currency of the Covered Bonds is other than U.S. dollars*] US\$[500,000].
9. Prior to the sale and delivery of the Covered Bonds in the manner contemplated hereby, we were afforded the opportunity to ask questions of the Issuer concerning the terms and conditions of the Covered Bonds and the operations, financial condition and future prospects of the Issuer; *it being understood* that neither such inquiries nor any other due diligence investigations conducted by us, our advisors or representatives shall modify, amend or affect our right to rely upon the representations and warranties of the Issuer contained in the Security Agency Agreement.
10. We have not distributed any materials relating to the Covered Bonds to anyone other than to any counsel or other advisor to us and as required for our internal approvals, and no one other than such Persons have used our copies of such documents (for the avoidance of doubt, nothing contained herein shall restrict us from utilising any such materials in connection with the Covered Bonds).
11. We and our “affiliates” (as such term is defined in Rule 501(b) of Regulation D) or any Person acting on our or their behalf has not engaged or will not engage in any directed selling efforts (as defined in Regulation S) with respect to the Covered Bonds (or beneficial interests therein) that we have purchased from the Issuer.
12. We will not offer or sell the Covered Bonds (or beneficial interests therein) by means of any form of general solicitation or general advertising in the United States within the meaning of Rule 502(c) under Regulation D, including (without limitation): (a) any advertisement, article, notice or other communication published in any newspaper, magazine or similar medium or broadcast over television, radio or the internet or (b) any seminar or meeting whose attendees have been invited by any general solicitation or general advertising in the United States.

You are entitled to rely upon this letter and are irrevocably authorised to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby.

This letter, and any non-contractual obligations arising out of or in correction with this letter are governed by, and shall be construed in accordance with, English law.

Yours faithfully,

Name: [●]

Title: [●]

Schedule 8

Register and Transfer of Registered Covered Bonds

1. The Registrar shall at all times maintain in a place agreed by the Issuer the Register showing the amount of the Registered Covered Bonds from time to time outstanding and the dates of issue and all subsequent transfers and changes of ownership of the Registered Covered Bonds and the names and addresses of the holders of the Registered Covered Bonds. The holders of the Registered Covered Bonds or any of them and any Person authorised by any of them may at all reasonable times during office hours inspect the Register and take copies of or extracts from it relating to the Series they are invested in. The Register may be closed by the Issuer for such periods and at such times (not exceeding in total 30 days in any one year) as it may think fit.
2. Each Registered Covered Bond shall have an identifying serial number which shall be entered on the Register.
3. The Registered Covered Bonds are transferable by execution of the form of transfer endorsed on them under the hand of the transferor or, where the transferor is a corporation, under its common seal or under the hand of two of its officers duly authorised in writing.
4. The Registered Covered Bonds to be transferred must be delivered for registration to the specified office of the Registrar with the form of transfer endorsed on them duly completed and executed and must be accompanied by such documents, evidence and information (including, but not limited to, a Transfer Certificate) as may be required pursuant to the Conditions and such other evidence as the Issuer may reasonably require to prove the title of the transferor or his right to transfer the Registered Covered Bonds and, if the form of transfer is executed by some other Person on his behalf or in the case of the execution of a form of transfer on behalf of a corporation by its officers, the authority of that Person or those Persons to do so.
5. The executors or administrators of a deceased holder of Registered Covered Bonds (not being one of several joint holders) and in the case of the death of one or more of several joint holders the survivor or survivors of such joint holders shall be the only Person or Persons recognised by the Issuer as having any title to such Registered Covered Bonds.
6. Any Person becoming entitled to Registered Covered Bonds in consequence of the death or bankruptcy of the holder of such Registered Covered Bonds may upon producing such evidence that he holds the position in respect of which he proposes to act under this paragraph or of his title as the Issuer shall require be registered himself as the holder of such Registered Covered Bonds or, subject to the preceding paragraphs as to transfer, may transfer such Registered Covered Bonds. The Issuer shall be at liberty to retain any amount payable upon the Registered Covered Bonds to which any Person is so entitled until such Person shall be registered or shall duly transfer the Registered Covered Bonds.
7. Unless otherwise requested by him, the holder of Registered Covered Bonds of any Series shall be entitled to receive only one Registered Covered Bond in respect of his entire holding of the Series.
8. The joint holders of Registered Covered Bonds of any Series shall be entitled to one Registered Covered Bond only in respect of their joint holding of the Series which shall, except where they otherwise direct, be delivered to the joint holder whose name appears first in the Register in respect of such joint holding.

9. Where a holder of Registered Covered Bonds has transferred part only of his holding of Covered Bonds represented by a single Registered Covered Bond, there shall be delivered to him without charge a Registered Covered Bond in respect of the balance of his holding.
10. The Issuer shall make no charge to the Covered Bondholders for the registration of any holding of Registered Covered Bonds or any transfer of it or for the issue or delivery of Registered Covered Bonds in respect of the holding at the specified office of the Registrar or by uninsured mail to the address specified by the holder. If any holder entitled to receive a Registered Covered Bond wishes to have the same delivered to him otherwise than at the specified office of the Registrar, such delivery shall be made, upon his written request to the Registrar, at his risk and (except where sent by uninsured mail to the address specified by the holder) at his expense.
11. Except as otherwise provided in the Conditions or as ordered by a court of competent jurisdiction or as required by law or applicable regulations, the holder of a Registered Covered Bond may (to the full extent permitted by Applicable Laws) be treated at all times by all Persons and for all purposes as the absolute owner of the Registered Covered Bond notwithstanding any notice any Person may have of the right, title, interest or claim of any other Person to the Registered Covered Bond. The Issuer shall not be bound to see to the execution of any trust to which any Registered Covered Bond may be subject and no notice of any trust shall be entered on the Register. The holder of a Registered Covered Bond will be recognised by the Issuer as entitled to his Registered Covered Bond free from any equity, set-off or counterclaim on the part of the Issuer against the original or any intermediate holder of such Registered Covered Bond.
12. A Registered Covered Bond may not be exchanged for a Bearer Covered Bond or *vice versa*.
13. Restricted Covered Bonds shall bear the legend set out in Part 8 (*Form of Registered Definitive Covered Bond*) of Schedule 4 (*Form of Global and Definitive Covered Bonds, Coupons and Talons*) (the “**Legend**”), such Covered Bonds being referred to herein as “**Legended Covered Bonds**”. Upon the transfer, exchange or replacement of Legended Covered Bonds, or upon specific request for removal of the Legend, the Registrar shall deliver only Legended Covered Bonds or refuse to remove such Legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the Legend nor the restrictions on transfer set forth in it are required to ensure compliance with the provisions of the Securities Act.

Schedule 9

Additional Duties of the Fiscal Agent and the Registrar

In relation to each Series of Covered Bonds that are NGCBs and each series of Covered Bonds that are held under the NSS, each of the Fiscal Agent and the Registrar will comply with the following provisions:

1. The Fiscal Agent or the Registrar, as the case may be, will inform each of Euroclear and Clearstream, Luxembourg (the “ICSDs”), through the common service provider appointed by the ICSDs to service the Covered Bonds (the “CSP”), of the initial issue outstanding amount (“IOA”) for each Tranche on or prior to the relevant Issue Date.
2. If any event occurs that requires a mark up or mark down of the records which an ICSD holds for its customers to reflect such customers’ interest in the Covered Bonds, the Fiscal Agent and the Registrar will (to the extent known to it) promptly provide details of the amount of such mark up or mark down, together with a description of the event that requires it, to the ICSDs (through the CSP) to ensure that the IOA of the Covered Bonds (in the case of NGCBs) or the records of the ICSDs reflecting the IOA (in the case of Covered Bonds held under the NSS) remains at all times accurate.
3. The Fiscal Agent and the Registrar, as applicable, will at least once every month perform a reconciliation process with the ICSDs (through the CSP) with respect to the IOA for the Covered Bonds and will promptly inform the ICSDs (through the CSP) of any discrepancies.
4. The Fiscal Agent and the Registrar will, as applicable, promptly assist the ICSDs (through the CSP) in resolving any discrepancy identified in the IOA of the Covered Bonds (in the case of NGCBs) or in the records of the ICSDs reflecting the IOA (in the case of the Covered Bonds held under the NSS).
5. The Fiscal Agent and the Registrar, as applicable, will promptly provide to the ICSDs (through the CSP) details of all amounts paid by it under the Covered Bonds (or, where the Covered Bonds provide for delivery of assets other than cash, of the assets so delivered).
6. The Fiscal Agent and the Registrar, as applicable, will (to the extent known to it) promptly provide to the ICSDs (through the CSP) notice of any changes to the Covered Bonds that will affect the amount of, or date for, any payment due under the Covered Bonds.
7. The Fiscal Agent and the Registrar, as applicable, will (to the extent known to it) promptly provide to the ICSDs (through the CSP) copies of all information that is given to the holders of the Covered Bonds.
8. The Fiscal Agent and the Registrar, as applicable, will promptly pass on to the Issuer all communications it receives from the ICSDs directly or through the CSP relating to the Covered Bonds.
9. The Fiscal Agent and the Registrar, as applicable, will (to the extent known to it) promptly notify the ICSDs (through the CSP) of any failure by the Issuer to make any payment or delivery due under the Covered Bonds when due.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

The Issuer

TÜRKİYE İŞ BANKASI A.S.

By: 

Name: Özgür Temel

Title: Division Head

By: 

Name: Gamze Yalçın

Title: Deputy Chief Executive

[Signature page to the Agency Agreement]

The Fiscal Agent

SIGNED for and on behalf of
THE BANK OF NEW YORK MELLON, LONDON BRANCH

By:  Digitally signed by Thomas Burgess
Date: 2020.05.05 11:00:31 +01'00'

Name:
Title:

The Exchange Agent

SIGNED for and on behalf of
THE BANK OF NEW YORK MELLON, LONDON BRANCH

By:  Digitally signed by Thomas Burgess
Date: 2020.05.05 11:00:05 +01'00'

Name:
Title:

The Security Agent

SIGNED for and on behalf of
THE BANK OF NEW YORK MELLON, LONDON BRANCH


By:  Digitally signed by Thomas Burgess
Date: 2020.05.05 10:59:45 +01'00'

Name:
Title:

[Signature page to the Agency Agreement]


The Registrar

SIGNED for and on behalf of
THE BANK OF NEW YORK MELLON SA/NV, LUXEMBOURG BRANCH

By:  Digitally signed by
Thomas Burgess
Date: 2020.05.05
10:59:18 +01'00'
Name:
Title:

The Transfer Agent

SIGNED for and on behalf of
THE BANK OF NEW YORK MELLON SA/NV, LUXEMBOURG BRANCH

By:  Digitally signed by
Thomas Burgess
Date: 2020.05.05
10:58:51 +01'00'
Name:
Title:

[Signature page to the Agency Agreement]