

PRE-CONTRACT MEMORANDUM OF INFORMATION

Upon your request, the General Credit Agreement, attached hereto, has been delivered to you on/...../..... This Agreement includes standard terms and conditions which may be against your interests.

We wish to draw your attention especially to the following provisions of the General Credit Agreement that are against your interests.

I. GENERAL PROVISIONS:

Conditions on Utilization of Credit – Article 3:

- (a) The credit facility may not be fully or partially extended or suspended and its limit may be decreased,
- (b) The credit facility may not be extended even if the collaterals are granted,
- (c) All information and documents requested by the Bank will be provided, and the Bank may conduct audits through its own officers or auditors,
- (d) The debts and obligations shall rank at least pari passu with all of its other debts and obligations, in terms of payment, guarantee and other aspects thereof,
- (e) The Client (Borrower) will not grant any new pledge on its movable assets or commercial enterprise or establish mortgage on its real properties, other than the existing ones, in favor of third parties, without a prior written consent of the Bank, and
- (f) The Bank will not perform its contractual obligations if the Client is determined to have engaged in business with prohibited countries, persons or entities nationwide or internationally.

Interests, Commissions, Taxes, Costs and Other Liabilities – Article 4:

- (a) The Bank may unilaterally change the credit interest rates by serving a notice thereof,
- (b) The Bank's current foreign exchange rates will be applied in all transactions, and how will be the application of such rates,
- (c) Any changes which may be made in obligations by the relevant official authorities will be reflected to the Client (Borrower),
- (d) The Bank may claim commissions and costs in case of prepayment,
- (e) The costs and commissions are in the account of the Client, and the method of collection thereof, and that the paid expenses and commissions will not be refunded even if the credits are prepaid, and
- (f) The Client will be responsible for payment of exchange currency differences, and arbitrage losses, and other ancillary obligations.

Delivery of Account Statements – Articles 6.2 and 6.3:

- (a) The account statements and debits receipts will be automatically generated by the system and will be sent without signature or with electronic signature; and
- (b) If an objection is not raised against account statements via a notary public within one month, or if the account statements are not requested to be sent by a notice delivered via a notary public within 1 month following the determined periods, the Client will be deemed to have accepted the contents of account statements.

Transfer and Assignment Rights – Article 10.2:

The Client and/or its surety cannot transfer, assign or transmit either their rights arising out of or their collaterals given under this Agreement, without a prior written consent of the Bank.

Miscellaneous Provisions – Articles 12.2 and 12.3:

- (a) The Client is aware of the security risks that may arise out of giving instruction to the Bank by telephone, fax, internet, electronic mail or other electronic communication means, and the Bank is hereby entitled in advance to execute the instructions given as above, as if the original instruction has been actually delivered to the Bank, the Client will be held liable for all kinds of damages and losses that may be caused by incomplete, inaccurate, forged and altered etc. instructions, save for the Bank's own faults and negligence; and
- (b) The credits extended hereunder will be utilized in such manner not to cause any damages to environment and living creatures, or otherwise, the Client will be liable to indemnify all losses that may be suffered by the Bank, and such breach will further be considered as a just cause for suspension of the lending hereunder.

II. PROVISIONS ON COLLATERALS:

Collaterals for Utilization of Credits – Articles 13.3 and 13.4:

(a) The Bank will, in line with the good faith rule, be entirely free to accept or refuse any request for partial release and return of the security interests as long as the Client indebted to the Bank hereunder; and

(b) The Client will be liable for all kinds of damages and losses and expenses that may be incurred by goods or goods, or general and special averages, or rescue operations.

Collaterals Standing as Security for the Receivables of the Bank – Article 14.1:

The present or future collaterals will stand as a security for present and future receivables of the Bank with respect to the credits extended hereunder.

Pledge, Setoff, Settlement and Lien Rights – Articles 15.1 and 15.2:

Bank will have rights of lien and pledge on all kinds of present or future receivables all kinds of accounts, commercial papers, properties and all other

rights and receivables of the Client held with the Bank, and that such assets will be subject to the current deposit account interest rate stipulated by the applicable laws.

Provisions on Insurance – Article 16.1:

Collaterals granted shall be insured against the risks, or in case of existence of such insurance policy, the Bank shall be annotated as a beneficiary therein, and also shall be entitled to take out such insurance policy.

Assignment of Bills of Exchange – Article 17.3:

The Bank shall not be held liable in case of a payment prohibition on a bill of exchange.

III. CREDITS:

Hızır (godsend) Account – Articles 19.2 and 19.4:

(a) The Bank is authorized to determine the types of transactions for which Hızır (godsend) account may be utilized; and

(b) Hızır (godsend) account will be subject to compound interest, and the Bank may change or adjust the application and accrual of this interest.

Intraday Credit Extension – Article 20:

If the Client's account shows a negative balance, the Bank may extend intraday credits without serving a separate notice relating thereto.

IV. PROVISIONS ON CLOSING OF CURRENT ACCOUNTS; TERMINATION OF THE AGREEMENT; ENFORCEMENT PROCEEDINGS AND COLLECTION OF THE RECEIVABLES OF THE BANK

The Bank's Authority to Close the Accounts and Terminate the Agreement – Article 38:

(a) Sample occurrences constituting the events of default of the Client, and the Bank may at any time suspend the lending and/or terminate the Agreement by serving a notice upon occurrence of events of default, including but not limited to the ones listed therein;

(b) The notice to be served by the Bank about closing of accounts and/or current accounts will be valid only for the relevant accounts;

(c) The Bank may start legal proceedings against the Borrower and its sureties for outstanding obligations;

(d) The Bank may claim interests and other ancillary obligations in payments; and

(e) Payment of debts does not preclude the Bank from using its right of termination.

The Client's obligations until full payment and settlement of its debts, and default interest – articles 39.2 and 39.3.

Changes in legal place of residence and/or authorized signatories of the Client and its sureties.

Governing Law, Jurisdiction and Execution Offices – Article 42:

This Agreement shall be governed and construed by the laws of the Republic of Turkey. Istanbul Courts and Execution Offices shall have jurisdiction in relation to any disputes that may arise out of the Agreement. However, submission to the jurisdiction of Istanbul Courts and Execution Offices shall not preclude the Bank from initiating legal actions and proceedings at the competent courts at the address of the Borrower and its sureties or at the place the credits are extended or at the address of the branch office extending such credit or at the locations of properties and assets of the Borrower and its sureties.

IV. FINAL PROVISIONS:**Increase of Credit Limit – Article 43:**

It shall be at sole discretion of the Bank to accept or refuse any requests relating to credit limit increase.

Now and therefore, we are hereby suggesting you to read and review all provisions of this Agreement, and if deemed necessary, to get advice from a lawyer or a law firm or a financial expert about the legal and financial consequences thereof, and to apply to our Bank thereafter.

Depending on your review of this Agreement, following the opinions obtained about the results of the legal and financial points, we are ready to enter into negotiations and execute a contract with you.

HSBC Bank A.Ş.

Client

HSBC BANK A.Ş.

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You may inform us for your recommendations, appreciations and complaints through the "Contact Us" menu available at www.hsbc.com.tr or via HSBC Bank A.Ş. Telephone Banking by dialing 0850 211 0 111

HSBC Bank A.Ş. Customer Relations

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