

STANDARD MORTGAGE TERMS

We have set out below the Standard Mortgage Terms of the London Branch of Türkiye İş Bankası A.Ş. ("the Bank") which expression shall include its successors in title and assigns and those deriving title through or under it whether at law or in equity and whether by way of absolute assignment or by way of security only, and whether in relation to the whole or to part, and where the context so admits, its appointed agent or the appointed agent of any persons so deriving title or any trustee for Türkiye İş Bankası A.Ş. or other persons.

1. COVENANT TO PAY

The Borrower covenants with the Bank to pay to the Bank the loan or the balance from time to time unpaid and interest and all other amounts which are or may be payable by the Borrower to the Bank or obligations of fulfil any kind that the Borrower has to the Bank ("the Secured Amounts").

2. MORTGAGE

The Borrower is required to execute and file at the Land Registry in Turkey a first legal mortgage of the Property ("the Mortgage") and any ancillary documents required by the Bank prior to release of the loan to purchase the Property and/or any further loan or loans made by the Bank to the Borrower secured or intended to be secured over the Property ("the Loan"). The legal mortgage and ancillary documents will be in the Bank's preferred form and in accordance with the laws of Turkey. The Mortgage shall be a continuing security for the payment of the Secured Amounts. The powers conferred on the Bank under these Terms and under the Mortgage are without prejudice to its powers under the general law and may be exercised as often as the Bank thinks appropriate.

3. REPAYMENT MORTGAGE AND LIFE INSURANCE

3.1 The Loan is made on a repayment basis where throughout the duration of the Loan the Borrower shall make monthly repayments of capital as well as interest.

3.2 Save as otherwise agreed, the Loan will be made available in one single payment by debiting the mortgage account in the name of the Borrower. The Bank shall be entitled to make a retention from the Loan. The retention shall be released once the Bank is satisfied with any confirmation from its valuer that building work or facilities or repairs have been completed satisfactorily.

3.3 The Borrower is required to effect and maintain throughout the term of the Loan a term assurance policy or policies providing an initial sum assured at least equal to the Secured Amounts. The Borrower will arrange for the names of the Bank to be added to the relevant policy.

4. INTEREST

4.1 The rate of interest on the Loan is specified in the Summary of Key Facts ("the Interest Rate"). It is the standard variable rate of the London branch of the Bank and may be varied by the Bank, before and/or after the release of the Loan.

4.2 Interest will be charged by the Bank from the date that the Borrower has confirmed is the date on which the Borrower wishes the Loan to be released in connection with the purchase of the Property ("the Notified Date").

4.3 Interest will be calculated on the outstanding daily balance of the Secured Amounts based on a 365 day year in each year.

- 4.4 Save as agreed in accordance with clause 4.5 below, the interest on the Loan will be charged and collected in arrears on the 1st or 15th day of the month following the Notified Date and on the same day of each calendar month thereafter during the term of the Loan. Each monthly payment will be for equal amounts unless varied by the Bank in accordance with these terms (save that in the event that the 1st or 15th day shall not be a business day on which the Bank is open the Bank shall be entitled to collection of payment of interest on the nearest prior business day).
- 4.5 The Bank will accept a request from the Borrower both before and after the Notified Date for the monthly payment to be collected on either the 1st or the 15th day of each calendar month save that the Bank will not collect any monthly payments before they fall due.
- 4.6 If the monthly payment is not made on the due date for whatever reason the Bank reserves the right to charge and accrue interest at the Interest Rate + 5% on such unpaid amount until paid. The Bank reserves the right to vary the rate of interest charged if a payment of interest is not made on the due date or the Loan is in default for any other reason.
- 4.7 If any payment due (or part thereof) is in arrears the Bank shall be entitled to charge an administration fee which shall be payable by the Borrower on demand and until paid shall be added to the Secured Amounts and bear interest at the Interest Rate.
- 4.8 The whole of the Secured Amounts shall be immediately due and payable in full without demand if the power of sale applicable to the Mortgage shall have become exercisable.
- 4.9 The Bank may at any time or times (but shall not be obliged to) accept payments other than those payable under these Standard Mortgage Terms or give further time for the payment of any of the Secured Amounts or generally make any other arrangement as to the mode of and/or time for payment of any money (whether in the nature of principal, interest or otherwise) and any such arrangement shall not in any way prejudice or affect the power of sale or other powers conferred on the Bank.
- 4.10 If on the realisation of its security by the Bank the net proceeds shall be insufficient to discharge the Secured Amounts in full the Borrower shall forthwith pay the amount of the deficiency with interest at the Interest Rate + 5% until the Secured Amounts are discharged in full.
- 4.11 Interest shall be charged at the Interest Rate on the Secured Amounts in accordance with the Offer of Loan and the clauses and is payable from and including the Notified Date and is payable at the Interest Rate after as well as before any judgment.
- 4.12 The Borrower shall make each payment due without set-off or counterclaim or any other deduction.
- 4.13 Each payment made by the Borrower to the Bank shall be applied towards satisfying the Secured Amounts due to the Bank in such order or in such proportion between more than one liability or as between capital and interest as the Bank reasonably thinks fit, except where otherwise agreed in writing between the Bank and the Borrower.

5. DIRECT DEBIT

The Bank must receive a signed and properly completed direct debit mandate before the Bank will release the Loan (or standing order at the request of the Bank). Each monthly payment shall be made by the Borrower to the Bank by direct debit upon a suitable account (with the

London branch of the Bank or with any other bank into which the Borrower's salary is paid and/or the Borrower's main bank account) maintained by the Borrower throughout the term of the Loan provided always that if any direct debit or standing order payment is refused by the Borrower's bank then the Bank shall be entitled to charge an administration fee for each successful application for payment of such amount as it shall determine and such fee shall be payable by the Borrower on demand and, until paid, shall be added to the Secured Amounts and will be included in the monthly payment unless otherwise agreed.

6. EVENTS OF DEFAULT

6.1 The Bank shall cease to be under any further commitment to the Borrower and the Secured Amounts shall immediately become due and payable on demand on the occurrence of any of the following events of default:

- (a) if the Borrower fails to pay on the due date any money to discharge an obligation or liability to the Bank;
- (b) if the Borrower breaches any of these Standard Mortgage Terms or any other obligations to the Bank;
- (c) if a petition is presented or an interim order or bankruptcy order is made or analogous proceedings are taken anywhere for making the Borrower bankrupt or if the Borrower dies or becomes of unsound mind;
- (d) if an encumbrancer takes possession or exercises or attempts to exercise any power of sale of the whole or any part of the Property;
- (e) if the Borrower stops payment or agrees to declare a moratorium or becomes or is deemed to be insolvent or unable to pay his/her debts as and when they fall due or if a notice is issued convening a meeting of or the Borrower proposes or enters into any composition or arrangement with his creditors generally or any class of his/her creditors;
- (f) if all or any material part of the Property is sold or disposed of whether in a single transaction or a number of transactions or is compulsorily acquired, seized or appropriated;
- (g) if any necessary consent relating to the use of the Property is revoked or withdrawn or if any notice is served with a view to forfeiture of any lease or any analogous procedure in Turkey;
- (h) if the Mortgage in Turkey fails or ceases in any respect to have full force and effect or is terminated or becomes invalid or unenforceable;
- (i) if any judgment, decree or order made against the Borrower is not complied with within 7 days.

6.2 The Borrower hereby covenants immediately to notify the Bank in writing of the occurrence of any of the events of default specified herein or of the occurrence of any event which, with the elapse of time or giving of notice, would or may constitute any of the same.

6.3 If an event of default occurs the Bank may, amongst other things, exercise immediately its power of sale under the Mortgage. The Bank may exercise immediately all other rights that it may have under the Mortgage or otherwise.

7. OCCUPATION OF THE PROPERTY/BUY TO LET

- 7.1 The Borrower must be entitled to full vacant possession of the whole of the Property on or before release of the Loan.
- 7.2 No tenancy is to be created (either of the whole or part) of the Property without the prior written consent of the Bank.
- 7.3 If a tenancy exists or is created at any time in respect of the Property, the Bank shall be entitled in its absolute discretion to increase the variable rate of interest due in respect of the Loan subject to a maximum of 2%.
- 7.4 Where a tenancy exists or is proposed in respect of the Property, the Borrower shall provide to the Bank:
- (a) the terms of the tenancy arrangements;
 - (b) the identity and nature of the tenant;
 - (c) evidence concerning the tenant's ability to meet its financial obligations;
 - (d) evidence concerning the Borrower's ability to terminate the tenancy in the event of non-payment of the tenant's financial obligations;
 - (e) evidence concerning ability of the Borrower and/or the Bank to obtain vacant possession of the property.
- 7.5 In respect of any tenancy relating to the Property, the Borrower shall ensure the Tenant shall not undertake illegal or anti-social activities including but not limited to drug trafficking or prostitution or money laundering or gambling or drunkenness.
- 7.6 In respect of any tenancy relating to the Property, the Borrower shall ensure that:
- (a) tenancies shall be limited to a period of one year;
 - (b) the Borrower and/or the Bank may obtain vacant possession on termination or expiration of any tenancy;
 - (c) not without the prior written consent of the Bank to make a material variation to the terms of any tenancy arrangement;
 - (d) tenancies shall be for the personal use of the Tenant;
 - (e) the Tenant may not use the Property for business purposes;
 - (f) the Borrower maintains such additional insurances as are necessary in respect of a landlord's liabilities in respect of tenants notably landlord's liability to maintain the property and appliances therein including but not limited to any gas boilers or cookers.
8. **PROPERTY INSURANCE**
- 8.1 The Property must be insured where it is being acquired by the Borrower, from the date contracts are exchanged for the purchase of the Property.
- 8.2 In the case of contractual arrangements where property (such as a shared swimming pool or gym) is to be insured by a management company or some other person, firm

or company, the Bank will require a copy of the policy schedule and details of the policy for approval prior to release of the Loan.

- 8.3 The Borrower must keep the Property insured throughout the term of the Loan.
- 8.4 The Borrower must pay punctually all premiums and other sums necessary to keep the insurance on risk and the Bank may call for evidence that the premiums and other sums have been paid.
- 8.5 If the Borrower fails to pay the annual insurance premiums for the building and earthquake insurance policies (whether or not entered into with the Bank's subsidiary Anadolu Sigorta) the Bank may (but is not obliged to) pay such sums on his behalf and may also change the terms of the policy or increase the sum insured or effect a new policy as it deems necessary. The Borrower will repay such sums on demand and if unpaid they will be added to the Secured Amounts and interest thereon will be charged at the Interest Rate.
- 8.6 All rights and claims under any policies effected or deemed to have been effected in respect of the Property are assigned by the Borrower to the Bank and any monies received from any insurance of the Property (whether effected by the Bank or the Borrower or otherwise) shall be applied at the sole discretion of the Bank in making good the loss or damage in respect of which the monies are received or in or towards the repayment of the Secured Amounts. Any monies received by the Borrower under such insurance shall be held by him upon trust for the Bank and shall be paid to the Bank (or as the Bank shall otherwise direct) on demand.
- 8.7 The Bank shall have power to settle and adjust with the insurers of the Property all questions with respect to the amount of the monies payable under the policy of insurance and with respect to the liability of the insurers.
- 8.8 Notwithstanding any other provisions, the Borrower hereby irrevocably appoints the Bank as attorney on his behalf and in his name to receive and give a good discharge for any monies, including any monies paid under any policy of insurance.

9. **GENERAL COVENANTS**

- 9.1 The Borrower further covenants with the Bank as follows:
- (a) not without the prior written consent of the Bank to create or permit to exist any mortgage, charge, right of set-off, lien or other security interest whatsoever ("Security Interest") upon the Property which will rank before, equal with or after the Mortgage;
 - (b) not to transfer the Property without the prior written consent of the Bank upon such terms and clauses (if any) as the Bank may impose nor to agree or permit any new obligation or restriction to be imposed on the Property;
 - (c) not without the prior written consent of the Bank to exercise powers of entering any tenancy agreement and accepting or agreeing to accept surrenders of leases nor to share, part with possession of or to grant any licence or right to occupy the whole or any part of the Property;
 - (d) not without the prior written consent of the Bank to negotiate, waive or settle any claim for compensation (whether payable under any enactment or otherwise) in respect of the compulsory acquisition, loss of or damage to or reduction in the value of the Property;

- (e) not without the prior written consent of the Bank to make any change in the use of the Property nor to apply to any planning authority for consent to the same and not to make any structural alterations or additions to the Property;
- (f) not to do or omit to do to the Property anything which shall result in a contravention of any legislation from time to time in force relating to town and country planning;
- (g) not without the prior written consent of the Bank to use the Property other than as a domestic dwelling house for the occupation of one family;
- (h) to notify the Bank immediately in writing of any notice or information received by or served on the Borrower concerning any proposal for the compulsory acquisition of the Property or any other matter which might adversely affect the value of the Property and (at the Borrower's expense) to take any action regarding the same as the Bank may require;
- (i) to put and keep all buildings on the Property and all roads, passageways, pipes, wires, cables, drains and sanitary and water apparatus and all plant, fixtures, fittings and equipment in or upon the Property in good and substantial repair and in good working order and condition and when necessary renew or replace the same and not demolish or remove any of the same without the prior written consent of the Bank except in the ordinary course of use, repair, maintenance or improvement;
- (j) to perform and observe covenants, clauses, stipulations, regulations and agreements affecting the Property including any obligations under any contract, licence or other document relating to any shared property (such as a driveway or swimming pool or gym);
- (k) to comply with all statutory and other requirements of all competent authorities which affect or relate to the Property;
- (l) to pay on demand (and indemnify the Bank against) all existing and future rents, rates, taxes, duties, charges, assessments, impositions and outgoings (whether imposed by agreement, statute or otherwise and whether in the nature of capital or revenue) now or at any time payable in respect of the Property or any part of it or by the owner or occupier, during the continuance of the Mortgage;
- (m) to allow the Bank (and any persons authorised by it) to have access to the Property at all reasonable times to carry out any survey or inspection which the Bank may reasonably deem necessary and to do any work which the Borrower has failed to do in accordance with his obligations under these terms;
- (n) where the Borrower has entered into a contractual arrangement concerning common parts or facilities (swimming pool, gym, drive, etc) the Borrower shall deposit a copy of such agreement with the Bank together with any share certificates in any management company.

9.2 If the Borrower fails to observe or perform punctually any of his obligations under the Mortgage and/or any of the terms hereof the Bank shall have the power on behalf of and at the expense of the Borrower to perform the obligations and to take any steps which the Bank reasonably consider appropriate to remedy the failure but so that the exercise of such power shall not prejudice the Bank's rights.

10. EARLY REPAYMENT

- 10.1 Subject to the provisions set out below, the Borrower may repay the Secured Amounts in whole but not in part on any Business Day subject to these terms.
- 10.2 Unless varied by the Offer of Loan the Borrower must give at least one calendar month's notice or such shorter period as the Bank may agree in writing of any repayment of all of the Secured Amounts which shall be subject to any and all fees which shall be due to the Bank which may include (but shall not be limited to) a sealing/redemption fee.
- 10.3 The Bank may in its absolute discretion accept partial repayments of £10,000 or more and adjust the terms of the Loan in terms of the length of the Loan and/or amount of any monthly repayments.

11. COSTS FEES AND EXPENSES

- 11.1 The Borrower hereby covenants with the Bank to pay on demand (on the basis of a full, complete and unqualified indemnity) all costs, charges and expenses (including legal and other professional fees, administration costs and overhead expenses) in connection with the Mortgage and these terms including (but not limited to):-
- (a) the investigation of title to or the re-inspection or valuation of the Property;
 - (b) the exercise or attempted or purported exercise or consideration of the exercise by the Bank of any of its powers or any other action of the Bank with a view to or in connection with the recovery by the Bank of the Secured Amounts;
 - (c) the carrying out or consideration of any other act or matter which the Bank may consider to be for the benefit, preservation or improvement of the Property, any Security Interest or the interest of the Bank;
 - (d) any variation or redemption of the Mortgage;
 - (e) any application for any form of consent of the Bank whether or not such consent is granted;
 - (f) any breach by the Borrower of any of the terms contained in these clauses, the mortgage offer, the summary of key facts or any other agreement between the Borrower and the Bank;
 - (g) the production of the title deeds or any deed or document or copy or copies including delivery on loan;
 - (h) the making of any further loan.
- 11.2 The amounts payable under clause 11.1 above shall be:-
- (a) charged together with any Value Added Tax, insurance premium tax, or similar taxes properly chargeable in respect of the same and the amount of all costs, charges and expenses of the Bank which may be recovered from the Borrower under the clauses shall be increased by the amount of any taxes charged (other than taxes on the Bank's net profits) except to the extent that the Bank considers these to be recoverable by it;

- (b) payable by the Borrower on demand and until paid shall be added to the Secured Amounts and interest thereon will be charged at the Interest Rate from the dates on which they are paid, incurred or charged by or to the Bank.

11.3 For the purposes of this clause 11 the Bank's expenses include not only the money which the Bank must pay to other people in connection with the Mortgage, but also the internal administration costs the Bank incurs when carrying out work or providing a service in connection with the Mortgage itself. Where the Bank incurs administration costs, these may be recovered those costs by charging the Borrower an administration fee. The administration fees charged will be based on the Bank's reasonable assessment of the cost of doing the work or providing the service in question. This means that the Bank can charge the fees charged to reflect a change in the cost of doing the work or providing the service. A tariff of administration fees is set out in the Summary of Key Facts attached to these terms and a current tariff will be sent each year, if there have been any changes to it.

12. PROTECTION OF THIRD PARTIES

Any purchaser of the Property from, or other person dealing with the Bank shall not be concerned to enquire whether any of the powers exercised or purported to be exercised have arisen or become exercisable or as to the propriety or validity of the exercise of any such power.

13. PROTECTION OF THE BANK

13.1 The Bank shall not be liable for any loss or damage (however caused) which arises out of the exercise (or the attempted or purported exercise) or the failure to exercise any of its powers.

13.2 Without prejudice to the generality of clause 13.1 entry into possession of the Property shall not render the Bank liable to account as mortgagee in possession. If the Bank enters into possession of the Property it shall be entitled at any time to go out of such possession.

14. INDEMNITY

14.1 The Borrower covenants, as a separate and independent covenant with the Bank upon demand to indemnify the Bank (on a full, complete and unqualified basis) against all costs, claims, proceedings and liabilities which the Bank may incur or which may be made against it in connection with the Mortgage whether before or after the power of sale has become exercisable or in consequence of anything done or purported to be done under these terms or of anything omitted to be done by the Borrower and any payment or discharge in respect of the Secured Amounts (whether made by the Borrower or a third person) being reduced or declared void for any reason.

14.2 The amounts payable under clause 14.1 shall carry interest at the Interest Rate from the respective dates on which they were paid or incurred by the Bank until payment by the Borrower.

15. FURTHER ASSURANCE

The Borrower shall at any time if and when required by the Bank (notwithstanding that the Bank's power of sale may not have become exercisable) immediately execute such further legal or other mortgages, charges, assignments or securities in favour of the Bank as the Bank shall from time to time require over all or any of the Property and all rights and remedies relating thereto both present and future (including any vendor's lien) to secure the Secured

Amounts, such further mortgages, charges, assignments or securities to be prepared by or on behalf of the Bank at the cost of the Borrower.

16. POWER OF ATTORNEY

The Borrower irrevocably and by way of security appoints the Bank to be his attorney subject to the redemption of the Loan (with full power to appoint substitutes and to delegate on its behalf and in its name or otherwise) to execute any document or do any act or thing which the Borrower is obliged to execute or do under the Mortgage or these terms or which the Bank (or its substitute or delegate) may reasonably consider appropriate in connection with the exercise of any of the powers of the Bank. Any person appointed as the substitute or delegate of the Bank shall in exercise of the said Power of Attorney be the agent of the Borrower who alone shall be responsible for the acts and defaults of such substituted person or delegate and the Bank shall not be responsible for any misconduct, negligence or default of such substituted person or delegate.

17. NOTICES

Any notice or communication to or upon the Borrower shall be deemed to have been properly served upon the Borrower if delivered or if sent by post to the last known address given by the Borrower to the Bank and/or to the Property and shall be deemed to have been received by the Borrower 48 hours after posting by the Bank or if delivered by hand shall be deemed to have been served when delivered. Where there is more than one person comprised in the Borrower it shall be sufficient if the notice is served on or addressed to any one or more of them.

18. MISCELLANEOUS

18.1 For all purposes in connection with the Loan and the arrangements between the Borrower and the Bank, no sums shall be deemed to have been received by the Bank until the Bank has received the value in cleared funds.

18.2 Where the Borrower comprises two or more persons, none of such persons shall be entitled, as against the Bank, to any of the rights or remedies, legal or equitable, of a guarantor as regards the indebtedness or liabilities of any other such person.

18.3 Where the Borrower comprises of two or more persons their liability to the Bank shall be joint and several.

18.4 No failure or delay by the Bank in exercising any right or remedy shall operate as a waiver of such right or remedy nor shall any single or any partial exercise or waiver of any right or remedy preclude its further exercise or the exercise of any other right or remedy.

19. TRANSFER OF MORTGAGE BY THE BANK

19.1 The Bank may without the further consent of the Borrower assign all its rights and benefits in and/or transfer all its obligations embodied in the Mortgage and any related interests under insurance policies together with any securities or other property of the Borrower charged to or held by the Bank in support to any person or persons whatever. The Bank will notify the Borrower of any such assignment and/or transfer if the Bank will no longer be responsible for setting interest rates and charges on the Mortgage.

19.2 The Borrower agrees that, to the extent that the Bank agrees to assign or transfer its rights and benefits to any person, he shall be bound to any such assignee or transferee and any subsequent assignee or transferee in the same manner and to the

same extent as he is bound to the Bank under the Mortgage (either wholly or to the extent of the obligation so transferred as the case may be), and to the extent that the Bank agrees with any person to transfer its obligations to that person the Bank shall be released from further obligations to the Borrower under the Mortgage and such transferee shall assume obligations towards the Borrower which are identical to such released obligations except only insofar as such assumed obligations are owed by such transferee and not the transferor.

19.3 By executing a Mortgage the Borrower consents to the Bank disclosing or passing to any proposed assignees, transferee or delegate or to any person proposing to enter into other contractual arrangements with the Bank in relation to the Mortgage any information contained in the application for the Loan and any supporting documentation which may hereafter be provided or any other information or documents relating to the Borrower, the Property, the Mortgage or the history of the conduct of the mortgage account.

20. **GOVERNING LAW AND CHANGES TO THE SECURITY CONDITIONS**

20.1 These terms are governed by and shall be construed in accordance with English law and the parties hereby submit to the non-exclusive jurisdiction of the English Courts.

20.2 These terms may be amended, replaced and/or supplemented from time to time by the Bank in the following circumstances:

- (a) to comply with any changes in applicable law, or with the requirements or recommendations of a regulator or similar body, or with the decision of a court of law or an ombudsman;
- (b) to reflect any changes in banking practice;
- (c) to reflect any enhancements made to the Bank's computer systems;
- (d) for any other valid reason.