

Circular

Istanbul, 3 April 2017

Circular No: 50

Subject: Approval of certain Agreements on Bilateral Promotion and Protection of Investments endorsed.

Agreements on Bilateral Promotion and Protection of Investments (YKTK) were started to be signed as of 1962 with the countries that Turkey pursues intensive commercial and investment affairs and countries retaining a potential for enhancing those affairs, for the purpose of supporting and preserving foreign direct investments (FDI) to Turkey while encouraging more capital inflows.

Agreements on Bilateral Promotion and Protection of Investments sealed with 98 countries up to now are aimed at promoting and protecting the investments of the other contracting party made in each signatory country under their own laws and regulations, to the extent that they are outlined within agreements.

Additionally, Agreements on Bilateral Promotion and Protection of Investments provide assurance to investors in terms of enabling the international arbitration process in cases of controversy.

The foreign investor profile targeted through Agreements on Bilateral Promotion and Protection of Investments include the investors from developed countries that would be able to bring their technology, know-how, management skills and fresh market opportunities to Turkey along with their capital.

Agreements on Bilateral Promotion and Protection of Investments sealed by Turkey recently, endorsed in line with the relevant laws and published in the official gazettes dated 9,16 March and 3 April 2017 are provided below:

- . Republic of Cameroon
- . Republic of Guatemala
- . Republic of Colombia
- . Republic of Kenya
- . Socialist Republic of Vietnam
- . United Mexican States
- . Republic of Guinea
- . Republic of Gambia
- . Islamic Republic of Pakistan

The constitutional process for our country regarding the agreement to take effect would be accomplished following the promulgation of the Council of Ministers Decision to be issued later under the authorization assigned by the concerning Law in the Official Gazette together with the text of agreement attached.

The agreement will be enacted as of the issuance of notifications indicating that it had won parliamentary approval from both countries.

Our explanations provided above include general information on the issue. No responsibility can be claimed against EY and Kuzey YMM ve Bağımsız Denetim A.Ş. due to the implications arising from the context of this document or emerging with respect to its context.

Best Regards,

KUZEY YMM VE BAĞIMSIZ DENETİM A.Ş.