

Circular

1 May 2024

Circular No: 32

Subject: Withholding rates regarding deposit interests and dividends paid by participation banks have been re-determined.

In accordance with the Presidency Decree numbered 8434 and published on Official Gazette dated May 1, 2024, withholding rates calculated based on interest obtained from Turkish Lira deposit accounts and dividends paid to Turkish Lira participation accounts by participation banks have been re-determined.

In this framework, **7,5%, 5%, and 2,5% of withholding shall be applied** according to its maturity in terms of TL deposit interests and dividends paid by participation banks in return for TL participation accounts.

The above withholding rates shall be applied in terms of interests and dividends payable to deposit and special current accounts from May 1, 2024 until July 31, 2024 (including this date) and interest and dividends to be paid in terms of accounts opened or whose maturity is renewed between May 1, 2024 and July 31, 2024 (including this date).

In addition, with the Presidency Decree No. 8434; the period of 0% withholding, which is valid for interest earned from foreign currency-protected time deposit accounts and deposit accounts converted into Turkish lira at the conversion rate/price, has been extended until July 31, 2024.

With the said Decree; the period of 0% withholding, which is valid for profit shares obtained from participation accounts with currency protection and participation fund accounts denominated in foreign currency/gold and converted into Turkish lira at the conversion rate/price, has been extended until July 31, 2024.

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.