



Monthly Discounted Interest Rate
(%) (For campaigns)
Annual Discounted Interest Rate (%)
(For campaigns)
BITT Rate (%)
RUSF Rate (%)
Effective Annual Interest Rate /
Annual Cost Rate (%)
Total Credit Amount
Total Credit Amount: (Principal+
Interest+ Tax+ Allocation Fee+
Expertise Fee+ Mortgage
Fee + Pledge Fee+ Commission)
Total Credit Cost
Monthly Repayment Amount
(Instalment)*

* For credits with flexible payment dates, the monthly repayment (instalment) amount is indicated in the Payment Schedule which is attached to and an integral part of this Agreement.

Article 3: Interest Type of the Credit Facility and Potential Consequences for the Credit Customer For the credit facility to be extended under this Agreement a fixed interest rate shall be applied. In fixed rate agreements, the interest rate determined in the agreement at the beginning may not be changed without the mutual consent of the Credit Customer and the Bank. The monthly repayment amount will not be changed unless the interest rate is changed. The Credit Customer and the Sureties accept and undertake that the date on which the credit amount is disbursed to the Credit Customer shall be taken into account by the Bank for interest accruals.

Article 4: Taxes and Costs

The credit facilities extended for house acquisition purposes are exempt from Banking and Insurance Transaction Taxes (BITT) and Resource Utilization Support Fund (RUSF).

The exemption from RUSF and/or BITT is valid until the real property which is granted as a security is sold. In case this real property is sold to a third party during the term of the credit facility, this exemption terminates as of the date of sale and a new payment schedule will be issued including the RUSF and/or BITT after such date of sale.

The Credit Customer and Sureties accept and undertake to pay to the Bank the charges indicated in the following table and all taxes and duties, if any accrued, including BITT and RUSF.

The Credit Customer and Sureties accept to pay upon first demand, at once and in cash the costs and similar expenses to be made by the Bank for the notices and notifications to be sent to them due to unpaid instalments.

Versiyon No	0	1															
Model No 16.KRE.FR.3461																	





NAME of the EXPENSE **EXPENSE AMOUNT (TRY)**

Credit Allocation Fee

Expertise Fee

Mortgage Fee**

Pledge Fee***

Insurance Fees*

* Insurance charges are not included in the Effective Annual Interest Rate/ Annual Cost Rate calculation.

** Charged for credits with mortgage collateral

***Charged for credits with vehicle collateral. The pledge fee is charged at its cost and sent to the relevant institution. In case the pledge fee is changed, the relevant change is to be published in the Bank’s website.

The above-mentioned insurance premium is calculated averagely based on the credit amount, age, remaining credit balance, remaining maturity date and monthly credit interest rate. In case the calculation could not be made, the premium amount is to be left blank. If you do agree to be insured, you might learn the net premium amount to be calculated based on the current insurance actuary criteria from the internet banking or our branches.

Article 5: Collection Authorization from Credit Account

The Bank is authorised to collect the instalment amount and to debit the amount of such amount on any instalment date for the instalment amount consisting of principal, interest, fund and expenditure tax as per the payment schedule if there is a credit account of the Credit Customer before the Bank.

Article 6: Early Payment

The Credit Customer may make early payments as per the terms and conditions stipulated under the limbs (a) and (b) above:

a) Early Payment of a Part of the Outstanding Credit Facility:

The Credit Customer acknowledges, agrees and undertakes that in case he/she is willing to early pay a part of the outstanding credit before its maturity, the Bank would issue a new payment schedule by deducting the early paid principal from the initial total principal following the payment to the Bank of the interest amount accrued to the then current principal amount over the interest rate determined in article 2 for the period from the last instalment date until the early payment date and the amount of RUSF, if any, arising from the consumer loan where the real properties owned by the Credit Customer have been granted as security; however a discount is to be made to the required interest and other cost items. The Credit Customer acknowledges, agrees and undertakes that in case the interest rate to be applied under this agreement is a Fixed Interest, an early payment fee at a rate of 1% of the early paid amount may be charged by the Bank if the remaining maturity is equal to or less than 36 (thirty-six) months; and an early payment fee at a rate of 2% of the early paid amount may be charged by the Bank if the remaining maturity is more than 36 (thirty-six) months.

b) Early Payment of the Total Outstanding Credit Facility:

The Credit Customer acknowledges, agrees and undertakes that in case he/she is willing to early pay the total outstanding credit before its maturity, the Bank will liquidate the total outstanding debt of the customer consisting of the undue instalments provided that the interest amount accrued to the then current principal over the interest rate determined in article 2 for the period from the last

Versiyon No	0	1										
Model No 16.KRE.FR.3461												



instalment date until the early payment date and the RUSF, if any; however a discount is to be made to the required interest and other cost items; and that in case the interest rate to be applied under this agreement is a Fixed Interest, an early payment fee at a rate of 1% of the early paid amount may be charged by the Bank if the remaining maturity is equal to or less than 36 (thirty-six) months; and an early payment fee at a rate of 2% of the early paid amount may be charged by the Bank if the remaining maturity is more than 36 (thirty-six) months.

c) Early Payment Fee in case of Re-Financing:

The Parties accept and undertake that in case the Credit Customer is willing to early pay the total outstanding credit before its maturity and requests re-financing it with a lower interest rate, an early payment fee at a rate of 1% of the early paid amount may be charged by the Bank if the remaining maturity does not exceed 36 (thirty-six) months; and an early payment fee at a rate of 2% of the early paid amount may be charged by the Bank if the remaining maturity exceeds 36 (thirty-six) months.

Article 7: Bank's Responsibility For Tied Loans

The credit facilities extended for a specific house with the prerequisite of financing a house purchase prepayment agreement concluded with a specific seller are qualified as tied loans. The credit facilities extended in case this prerequisite is not met and/or those extended by the Bank by paying the purchase price of a house determined by the Credit Customer without executing the TEB Housing Finance Project Agreement on the allocation of a specific house by and between the Bank and the seller, will not be qualified as tied loans. For tied loans, the seller and the Bank are jointly held liable in case the Credit Customer exercises his/her right to withdraw from the purchase agreement or to request discount on the purchase price as determined in article 11 of the Law no.6502 on the Protection of the Consumer, if the house has not been duly delivered or has not been delivered at all. However, if the house has not been delivered, the liability of the Bank is capped to the extended credit facility amount and limited with one year as of the delivery date of the house determined under the purchase agreement of the house or the tied loan agreement; and if the house is delivered, the liability of the Bank is capped to the extended credit facility amount and limited with one year as of the delivery date of the house.

The liability of the Bank would continue even if the credit facilities extended by the Bank are transferred to mortgage financing institutions, housing finance funds or mortgage-based security pools. The institution taking over the credit facility will not be held liable under this clause.

Article 8: Acceleration of the Credit, Delay and Default Interest Rate

The instalments stated in the Payment Schedule as per article 1 and article 2, become due and payable on their payment date without the necessity of any further notice.

In case minimum two (2) consecutive instalments are not paid on their due date by the Credit Customer, the Bank would send an acceleration notice to the Credit Customer by giving a period of 30 (thirty) days for payment as of the default date. If the debt is not paid within this period, the Credit Customer acknowledges, agrees, and undertakes that all obligations and liabilities arising from this Agreement, including the undue instalments would become due and payable without the necessity of further notices by the Bank; and that he/she shall be liable for paying the principal and all ancillary amounts. In

Versiyon No	0	1											
Model No 16.KRE.FR.3461													





case the Credit Customers fails to pay the outstanding debt, the Bank may start legal proceedings against the Credit Customer for the recovery of the unpaid amount.

The Credit Customer and Sureties acknowledge, accept and undertake that if they fail to totally pay the debts arising out of this Agreement on their due date pursuant to the Payment Schedule as defined in article 2 of the Agreement, they will pay the default interest rate that corresponds to thirty percent (30%) more of the monthly contractual interest rate which to be accrued during the entire acceleration period together with the RUSF, if any.

The Parties have agreed that in case a credit facility is extended with a discounted rate (excluding campaigns) and the Credit Customer defaults with the acceleration of all outstanding debts, the Credit Customer shall pay the default interest to be calculated over the "Monthly Contractual Interest Rate %" defined in the table given in article 2. The Parties have agreed that in case a credit facility is extended with "0" or discounted interest rate as per campaign sales and cooperation agreements concluded with seller companies, and the Credit Customer defaults with the acceleration of all outstanding debt, the Credit Customer shall pay the default interest that will be calculated over the "Monthly Contractual Interest Rate %" defined in the table given in article 2.

The Credit Customer and Sureties acknowledge, accept and undertake that the payment of one or more instalments after the due date and the acceptance of such payments by the Bank shall not impact or avoid the acceleration of the outstanding debt by the Bank, or request by the Bank of the default interest and ancillary payments, or the Bank' rights to start civil or penal actions to legal proceedings.

No compound interest is applied for the credit facility including the event of default.

Article 9: Mortgage Collateral

The Credit Customer agrees and accepts and he/she hereby establishes mortgage of 1st rank or at a rank to be accepted by the Bank, vested with the right to benefit from the free rank and valid until the release of the mortgage is requested by the Bank, over the following real property which will be the security of the principal amount of the credit disbursed by the Bank under this Agreement, the contractual and default interests, all taxes, duties, charges, execution and judicial expenses, costs and all debts to the Bank pursuant to this agreement to which the (contractual) interest rate defined in article 2 of this agreement will apply.

Real Property Details:

OWNER'S NAME SURNAME:

City:

District:

Quarter/Village:

Plot No.:

Parcel No.:

Map Block No.:

Land Share:

Independent Section No:

Versiyon No	0	1														
Model No 16.KRE.FR.3461																





As long as the Bank has any outstanding receivables, the Bank may reject the Credit Customer's demands on partial refund of some collaterals provided by the Credit Customer.

In case the Credit Customer is notified that the properties on which mortgage has been established became insufficient to cover the debt arising out of this Agreement, the Credit Customer and Sureties accept and undertake to provide to the Bank and all additional collaterals of any type such as movable or immovable within 10 days following the receipt of such notice.

Article 10: Liquidation of the Mortgage

In case the Credit Customer fails to immediately pay its debt to the Bank in full with the ancillary amounts despite the acceleration of the debt at the end of the agreement or during the term of the Agreement based on the reasons stipulated under the agreement and in case the Credit Customer fails to perform any obligation, undertaking or liability arising out of a legal ground other than this Agreement, the Bank shall be entitled to receive its receivable by proceeding with the sale of the mortgaged property pursuant to the provisions of the Execution and Bankruptcy Law.

The Bank may initiate a legal proceeding for execution of the lien as well as legal action for liquidation of the mortgage.

The Credit Customer and Sureties agree and undertake to pay all judicial costs and legal attorney fees; and any charges and duties to be charged by the Execution Offices including prison duties arising from the legal proceedings initiated by the Bank pursuant to the Execution and Bankruptcy Law and any law that may replace it from time to time; and they agree and undertake that, if such amounts are paid by the Bank, this latter will be entitled to collect these amounts by crediting the then current outstanding debt.

Article 11: Devaluation of the Mortgaged Property

If the value of the mortgaged property is decreased without any fault of the owner, the Credit Customer may not collect the indemnity as per the article 867 of the Civil Code without the acknowledgment and permission of the Bank. The Bank, at its own discretion, may collect or set off from outstanding debts such indemnity from the institution or person who will pay, without permission of the Credit Customer and even if maturity date has not expired.

Article 12: Controlling the Value of the Real Property

The Bank is entitled to check, control and assess or make it assessed each year or at any time, at its own discretion, the current status of the mortgaged property; and to request new collaterals, if it deems necessary, meeting the value and quality conditions to be determined by the Bank, based on the new value to be assessed. The value assessment of the real property shall be conducted by licensed real property assessment experts to be determined by the Bank.

Article 13: Expropriation of the Real Property

The Credit Customer accepts and undertakes that in case of expropriation of the mortgaged property, the expropriation fee shall replace the mortgaged property and may be collected by the Bank from the relevant public body; and then it may be set off from all obligations and outstanding debts of the Credit Customer.

Versiyon No	0	1												
Model No 16.KRE.FR.3461														



Article 14: Value Assessment of the Real Property

The Credit Customer accepts and undertakes that the Bank is entitled, when it deems necessary, to conduct value assessment for the house subject to this Agreement, through the real property assessment experts to be determined by the Bank. The Credit Customer accepts to pay in full and in cash the fee arising out of the value assessment process.

Article 15: Bank’s Pledge, Lien Right and Assignment of Receivables

The Parties have agreed that all due and future receivables, rights and accounts of the Credit Customer and Sureties are pledged to the Bank as the security of the credit debt. The Bank has the right of retention, lien, and set off over these assets in case the Credit Customer is in default or at any time legal conditions for exercising the right of lien, retention or set off are met.

Article 16: Insurance Provisions

No insurance agreement may be concluded without the express demand of the Credit Customer given in writing or through a permanent data storage. If the Credit Customer is willing to conclude an insurance agreement, the Credit Customer may execute that agreement either with the insurance company which the Bank is an agent of or another insurance company the Credit Customer will choose; and such insurance coverage shall be accepted by the Bank. However, the said insurance coverage must be aligned with the subject of the credit facility and, for fixed sum insurances, it must be aligned with the outstanding debt and maturity of the credit.

If the Credit Customer is willing to conclude insurance agreement, the Bank shall be the loss payee in the insurance policies. In case the risk subject to insurance occurs, the insurance indemnity to be paid by the insurance company shall be first set off from the Bank’s outstanding credit facility due to the Bank being the loss payee.

The insurance agreements and policies concluded in relation with credit facilities extended for real property acquisition purposes are exempt from BITT.

Details of the Insurance Subject to this Agreement:

Name of the Insurance	Amount of Coverage:	Insurance Company:	Offer/Policy No:	Start Date:	End of Term:	Renewal linked to the Credit
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Article 17: Sureties Responsibilities

The sureties whose signatures are at the end of this Agreement accept to grant surety as an “Ordinary Surety”. The Sureties are liable towards the Bank for the Customer’s debts arising under this Agreement and the limitation is capped with the surety limit set forth in the Agreement.

The Banks and the Ordinary Sureties accept and undertake that;

Versiyon No	0	1																	
Model No 16.KRE.FR.3461																			





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- a. The consent of the spouse as required by the article 584 of the Turkish Code of Obligations must be provided and submitted to the Bank by the sureties until the conclusion of the surety agreement at latest;
- b. Pursuant to article 585 of the Turkish Code of Obligations, the Bank may not initiate execution proceedings for the surety unless the Bank recourses to the debtor; however the Bank may initiate legal action directly to the surety in cases where;
- Definite proof of insolvency is issued for the debtor as a result of the legal proceedings initiated by third parties,
- Legal proceedings against the debtor becomes impossible or substantially difficult in Turkey,
 - The debtor is declared bankrupt, or
 - The debtor has been granted a period for settlement with its creditors;
- c. The Bank, pursuant to article 592 of the Turkish Code of Obligations shall deliver to the sureties who have paid the debt the promissory notes that will enable the sureties to exercise their rights, and other pledges and collaterals granted by the debtor at the time of surety has been given or afterwards, and to carry out the operation required for their transfer; however if the Bank has any other outstanding receivables, due to the priority of the Bank's right of pledge and lien, the transfer and delivery stipulated in this clause might not be performed until the outstanding receivable is fully paid;
- d. Pursuant to article 598 of the Turkish Code of Obligations, this surety is granted for an unlimited period, the personal surety granted by a real person will automatically terminate at the expiry of ten years as of the conclusion of the surety agreement; the surety term may be extended for a period of ten years utmost by the written statement of the sureties meeting the formal prerequisites of the surety agreement and provided that such statement is given at latest one year before the end of term of the surety agreement; the ten years' period is not applicable in case the surety is granted by a legal entity;
- e. The sureties are liable towards the Bank for the credit facility extended to the Customer regardless the qualification and extension method of the credit, and for any and all issues stipulated in the Agreement;
- f. To enable the Bank to protect its rights, the sureties shall immediately inform the Bank in case of bankruptcy of the credit customers and/or one of the sureties, or the fact that their assets are registered, of a request for suspension of bankruptcy or settlement with creditors or their death;
- g. The sureties undertake that during the term of the surety, they will not take any action which may devalue their movable and immovable assets as not to cover the maximum amount of liability undertaken under the Agreement through real or collusive transactions, or by admitting unfounded indebtedness; they will not destroy their properties, not transfer with or without charge their assets, not establish pledge, mortgage and similar rights in rem over their assets in favour of third parties; and not take any action which may decrease their value;
- h. The sureties represent and warrant that the information stated in the Application Form is true and accurate.

Versiyon No

0 1

Model No 16.KRE.FR.3461





Article 18: Disclosure of Information by the Bank to the Institutions and Authorities deemed appropriate by the Bank regarding the Credit Customer and Sureties

The Credit Customer and Sureties accept that the Bank may disclose, when required, the information related with the credit relationship between them and the Bank to the persons and institutions that will be deemed appropriate by the Bank.

Article 19: Miscellaneous:

Terms and Conditions on Credit Allocation: Criteria determined as per the Bank's credit allocation policies such as the Customer's financial situation, certified earnings, reason of the credit facility request and security structure etc. shall be substantial on credit facility allocation to the Customer. A copy of the expertise report, if any, shall be provided to the Credit Customer by the Bank upon his/her demand.

Related Account: In case an account related with the house financing agreement is opened, and only transactions related with the credit facility have been conducted, no fee or expense including account operating fee shall be collected from the Credit Customer; and the relevant account shall be closed when the credit facility is totally repaid unless the Credit Customer demands otherwise in writing.

The personal securities received as a security for the mortgage loan to be extended by the Bank to the Credit Customer shall be deemed as ordinary surety regardless its name. Personal securities provided by the counterparty regarding the Credit Customer's receivables shall be deemed as a joint security unless otherwise stipulated in other laws. The Credit Customer agrees, acknowledges and undertakes these issues.

If the creditworthiness assessment is negative, the Bank will immediately inform the Credit Customer free of charge.

The Customer has the right to receive a copy of this Agreement free of charge at any time during the first year following the execution date of the house financing agreement.

Pre-contractual information is binding for the Bank until the end of the working hours on the day the informative note is signed.

With regard to any dispute arising out of the Agreement, the Credit Customer may apply to the Consumer Courts, Consumer Arbitration Committee or the Arbitration Panel of the Banks Association of Turkey.

Article 20: Validity of Bank Records

The Customer and the sureties hereby agree that in all kinds of disputes may arise between them and the Bank, the books and records of the Bank, the copies of microfilms and microfiches, documents containing information derived out of electronic or magnetic media, and CD ROM, camera recordings, telephone voice records, computer and similar other records and ATM recordings shall, whether supported by substantiating documents or not, are be considered and treated as valid evidences as per Article 193 of the Code of Civil Procedure.

Article 21: Changes in Documents Submitted by the Credit Customer

The Credit Customer agrees, acknowledges and undertakes to inform the Bank of any change that may occur in the documents, which had been already submitted during the execution of this Agreement, within fifteen (15) days following the date of such change.

Versiyon No	0	1																	
Model No 16.KRE.FR.3461																			





Article 22: Legal Proceedings Expenses, Judicial Expenses, and Attorney Fees

The Credit Customer and Sureties (provided that the sureties' liability is capped with the surety amount) agree and undertake that in case the Bank becomes obliged to initiate legal proceedings before courts and execution offices for collection of their debts arising out of this Agreement, to be liable to pay to the Bank all expenses and the Attorney Fee that is 10% of the total outstanding including principal, interests and all kind of expenses plus the income tax to be levied thereon, as well as prison charge and other fees and taxes to be paid by the Bank, plus the income tax to be levied thereon.

Article 23: Legal Addresses of the Parties

The Credit Customer and Sureties agree, acknowledge and undertake that, the following addresses given next to their names and signatures are their legal address for the notifications that will required to be delivered to them to fulfil the issues stated in this Agreement, and that any notice to such address shall be deemed to have been duly delivered, and that in case of change in their legal address they shall inform the Bank immediately of the new address via registered return receipt requested mail, or via Notary Public, or through registered electronic mail system by using secure electronic signature, or by hand against signature, and that until such notification, notices to their former address shall be deemed to have been duly delivered. The Customer agrees and acknowledges that, in addition to the notification addresses of which the Bank is/will be informed by the Customer, the Bank may send notices to his/her MERNIS address and KEP address, if any, and those notifications shall be deemed as valid.

Article 24: Jurisdiction and Governing Law

Any kind of disputes shall be governed by the Laws of the Turkish Republic, and İstanbul Çağlayan Courts and Execution Offices shall have jurisdiction in resolution of all such disputes. However, submission to the jurisdiction of above-stated Courts and Execution Offices shall not eliminate the jurisdiction of general courts.

Article 25: Applicable Provisions

The credit facility, the limit of which is determined above, is subject to the provisions of this Agreement. The provisions of the Bank's internal regulations and other local legislation shall apply in case of lack of any applicable provision in this Agreement; if there is not any applicable provision in the internal regulations either, the complementary rules in the legal legislation and banking practices shall apply. The Credit Customer may not assign or transfer his/her rights and liabilities to a third party without the consent of the Bank.

This Agreement consists of twenty-five (25) articles and eight (8) pages, and is executed by the Parties on .././.....

Credit Customer's Name-Surname: Address:
Telephone Number and other Contact Details:
Signature:

Annex 1 – Payment Schedule

Annex 2 - Charge, Commission and Fee List

TÜRK EKONOMİ BANKASI A.Ş.

Versiyon No	0	1																	
Model No 16.KRE.FR.3461																			





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CUSTOMER STATEMENT:

I hereby state, agree and accept that the terms and conditions of this Mortgage Loan Agreement, which I executed with your Bank, and issues stated in the provisions have been mutually negotiated with me, and that all terms and conditions of the Mortgage Loan Agreement is clear and understandable, and that I executed the Mortgage Loan Agreement by acknowledging the rights and liabilities arising out of it. I acknowledge and agree that I received one copy, for each, of this Agreement and the Payment Schedule enclosed thereto and the Charge, Commission and Fee List.

The Customer will write by hand in this section “I have received a hard copy of this Agreement and its annexes.”

Credit Customer’s Name and Surname:

Signature :

REAL PERSON SURETY

Not: The followings sections on the Surety must be filled by hand by the Surety.

The Surety’s Name/Surname

The Surety’s Address

Surety Limit in Figures,
in Words

Date of Surety

The Customer will write by hand in this section “I have received a hard copy of this Agreement and its appendixes.”

Signature

CONSENT OF REAL PERSON SURETY’S SPOUSE

I hereby irrevocably declare and acknowledge that I consent for my spouse

..... to be a surety to the amount of

.....(in

Words.....) for the credit facilities to be or have made available

to the Credit Customer by the Bank pursuant to this House Financing Agreement.

Name/Surname:

Date:

Signature:

REAL PERSON SURETY

Not: The followings sections on the Surety must be filled by hand by the Surety.

The Surety’s Name/Surname

The Surety’s Address

Versiyon No	0	1													
Model No 16.KRE.FR.3461															





Surety Limit

in Figures,
in Words

Date of Surety

The Customer will write by hand in this section "I have received a hard copy of this Agreement and its appendixes."

Signature

CONSENT OF REAL PERSON SURETY'S SPOUSE

I hereby irrevocably declare and acknowledge that I consent for my spouse

..... to be a surety to the amount of

.....(in

Words.....) for the credit facilities to be or have made available to the Credit Customer by the Bank pursuant to this House Financing Agreement.

Name/Surname:

Date:

Signature:

I kindly request that the instalment amounts of the Mortgage Loan I have been extended on the date of .././.... and which is related with the account no., will be collected by your Branch without any further instruction, each time on the date of maturity and as indicated in the payment schedule from my Turkish Lira deposit account held with your Bank under No. and to which my salary is deposited.

TEB Salary Customer:

CUSTOMER NAME SURNAME / TITLE:

DATE : ____/____/____

Versiyon No	0	1												
Model No 16.KRE.FR.3461														



