

## GUARANTEE CONTRACT CUSTOMER INFORMATION FORM

This Information Form has been created for information of customers in line with the BRSA Communiqué<sup>1</sup>.

### **1. Contract Type:** Guarantee

### **2. Key Features of Contract:**

Guarantee means the undertaking provided by the guarantor (participation bank) in relation to the performance of an obligation for participating in the liability of the principal debtor (customer/beneficiary) and the performance of the obligation against the creditor (addressee) or the payment of the damages arising from the failure to perform the obligation.

The work performed or to be performed by the addressee and receivables to be guaranteed should be in line with the principles and standards of participation banking. It would be appropriate to limit the guarantee by a certain period of time and some conditions and to determine an upper threshold for the guarantee amount. Either an existing obligation or an obligation that can potentially arise in future or that is contingent may be guaranteed.

### **3. Compliance of the Product or Service with the Interest-Free Banking Principles and Standards**

The legitimacy of conclusion of a guarantee contract is based on the key principles of the Islamic law. Transactions performed by participation banks in this connection comply with the interest-free banking principles and standards.

### **4. Position of the Customer under the Contract:**

In guarantee contract, the customer is in the position of principal debtor/beneficiary, whereas participation bank is the guarantor.

### **5. Process and Operation:**

The customer sends its non-cash financing request subject to guarantee contract to the participation bank. The participation bank allocates a limit to the customer, and necessary documents are signed. A contract is concluded upon provision of a guarantee by the Bank to third parties in favor of the customer in line with the defined limit. If the obligation subject to guarantee contract is failed to be duly performed by the customer and the creditor claims the relevant amount, the participation bank shall pay the amount it is obliged to pay due its guarantor position to the creditor. Then, such amount shall be collected by the participation bank from the customer together with all expenses thereof.

### **6. Rights and Obligations Imposed by the Contract on the Parties:**

The participation bank is entitled to collect its expenses and other fees that may be charged in line with the interest-free banking principles and standards from the customer.

The customer is obliged to exercise due care for the performance of the obligation or undertaking subject to guarantee contract in full and within due time. If the customer fails to perform its obligation, the participation bank shall be responsible for payment (compensation) of the amount subject to guarantee. In such case, the participation bank shall have recourse to its customer for the compensation amount it has paid to the addressee together with all the accessories thereof that may be collected in line with the interest-free banking principles and standards. The guarantee contract shall be binding on the participation bank upon its conclusion, and the participation bank may not unilaterally withdraw from the transaction without the consent of the relevant creditor.

### **7. Bank Application in case of Late Payment:**

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<sup>1</sup> Communiqué on the Principles and Procedures Governing the Information of Customers and the Public in line with the Interest-Free Banking Principles and Standards issued by the Banking Regulation and Supervision Agency (BRSA) and published in the Official Gazette dated 30 November 2021 and numbered 31675

It is in line with the interest-free financing principles to add a provision to the contract stating that a delay penalty shall be collected by the participation bank in the event that the debts due to the bank to arise on the basis of the guarantee contract are not paid on the dates determined; however the participation bank and customers may not benefit from these amounts collected as delay penalty. These amounts collected shall be classified according to the Uniform Chart of Accounts, and be used in line with the interest-free banking principles and standards.

**8. Corporate Website Address where the Customer Can Get Further Information on the Products and Services:**

For more information and consent certificates related to our products and services, please visit our Bank's website at [www.turkiyefinans.com.tr](http://www.turkiyefinans.com.tr)

Information Form Delivery Date: ... / ... /.....

**Name and Last Name/Trade Name of the Customer:** .....

**Turkish Identity Number/Tax Identity Number:** .....

(Information may be provided either face to face or via remote communication means/in the electronic environment/by remote communication, and in case of face-to-face information, you will need to write the following on the form in your handwriting: "**Verbal and written information has been provided to me, and my declaration of will has been obtained**".)

**Stamp/Signature:**

