TÜRKİYE VAKIFLAR BANKASI T.A.O.
Issue of US$500,000,000 Fixed Rate Resettable Tier II Notes due 2025
under its US$5,000,000,000 Global Medium Term Note Program
Issue price: 99.687%, payable in full in U.S. Dollars on the Issue Date

The US$500,000,000 Fixed Rate Resettable Tier II Notes due 2025 (the "*Notes*") are being issued by Türkiye Vakıflar Bankası T.A.O., a Turkish banking institution organized as a public joint stock company under the laws of Turkey and registered with the İstanbul Trade Registry under number 776444 (the "*Bank*" or the "*Issuer*"), under its US$5,000,000,000 Global Medium Term Note Program (the "*Program*").

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "*Securities Act*"), or any U.S. State securities laws and are being offered: (a) for sale to qualified institutional buyers (each a "*QIB*") as defined in, and in reliance upon, Rule 144A under the Securities Act ("*Rule 144A*") and (b) for sale in offshore transactions to persons who are not U.S. persons in reliance upon Regulation S under the Securities Act ("*Regulation S*"). For a description of certain restrictions on sale and transfer of investments in the Notes, see "Plan of Distribution" herein and "Transfer and Selling Restrictions" in the Base Prospectus (as defined under "Documents Incorporated by Reference" below).

AN INVESTMENT IN THE NOTES INVOLVES CERTAIN RISKS. SEE "RISK FACTORS" HEREIN.

The Notes will bear interest from (and including) February 2, 2015 (the "*Issue Date*") to (but excluding) February 3, 2020 (the "*Issuer Call Date*") at a fixed rate of 6.875% *per annum*. From (and including) the Issuer Call Date to (but excluding) February 3, 2025 (the "*Maturity Date*"), the Notes will bear interest at a fixed rate of 5.439% *per annum* above the then applicable annual swap rate for U.S. Dollar swap transaction with a maturity of five years (quoted on a semi-annual basis) determined in accordance with market conditions. Interest will be payable semi-annually in arrear on the third day of each February and August in each year (each an "*Interest Payment Date*") up to (and including) the Maturity Date; *provided* that if any such date is not a Payment Business Day (as defined in Condition 7.4), then such payment will be made on the next Payment Business Day but without any further interest or other payment being made in respect of such delay; *it being understood* that the amount of interest payable on the first Interest Payment Date (*i.e.*, August 3, 2015) will be in respect of the long first Interest Period from (and including) the Issue Date to (but excluding) August 3, 2015. Subject to having obtained the prior approval of the Banking Regulatory and Supervisory Agency (the "*BRSA*") and as further provided in Condition 8, the Issuer may redeem all but not some only of the Notes: (i) on the Issuer Call Date, (ii) at any time for certain withholding tax reasons or (iii) upon the occurrence of a Capital Disqualification Event, in each case at their then outstanding principal amount together with interest accrued but unpaid to (but excluding) the date of redemption. The Notes are otherwise scheduled to be redeemed by the Issuer at their then outstanding principal amount on the Maturity Date. For a more detailed description of the Notes, see "Terms and Conditions of the Notes" herein. Reference to a "Condition" herein is to the corresponding clause of such "Terms and Conditions of the Notes."

The Notes are subject to loss absorption upon the occurrence of a Non-Viability Event (as defined in Condition 6.2), in which case an investor in the Notes might lose some or all of its investment in the Notes. See Condition 6.

This Prospectus has been approved by the Central Bank of Ireland, as competent authority under Directive 2003/71/EC as amended (including the amendments made by Directive 2010/73/EU) (the "*Prospectus Directive*"). The Central Bank of Ireland only approves this Prospectus as meeting the requirements imposed under Irish and European Union ("*EU*") law pursuant to the Prospectus Directive. Such approval relates only to Notes that are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC and/or that are to be offered to the public in any member state of the European Economic Area. Application has been made to the Irish Stock Exchange for the Notes to be admitted to its official list (the "*Official List*") and trading on its regulated market (the "*Main Securities Market*"); *however*, no assurance can be given that such application will be accepted. References in this Prospectus to the Notes being "*listed*" (and all related references) shall mean that the Notes have been admitted to the Official List and trading on the Main Securities Market.

Application has been made to the Capital Markets Board of Turkey (the "*CMB*"), in its capacity as competent authority under Law No. 6362 (the "*Capital Markets Law*") of the Republic of Turkey ("*Turkey*") relating to capital markets, for the issuance and sale of the Notes by the Bank outside of Turkey. The Notes cannot be sold before the approved issuance certificate (*ihraç belgesi*) and the approved tranche issuance certificate (*tertip ihraç belgesi*) have been obtained from the CMB. The CMB issuance certificate relating to the issuance of notes under the Program based upon which the offering of the Notes is conducted was obtained on April 7, 2014, and the tranche issuance certificate bearing the approval of the CMB relating to the Notes is expected to be obtained from the CMB on or before the Issue Date.

The Notes are expected to be rated at issuance "BB+" by Fitch Ratings Ltd. ("*Fitch*") and "Ba3" by Moody's Investors Service Limited ("*Moody's*" and, together with Fitch and Standard & Poor's Credit Market Services Europe Limited, the "*Rating Agencies*"). The Bank has also been rated by the Rating Agencies, as set out on pages 108 and 109 of the Base Prospectus (as supplemented). Each of the Rating Agencies is established in the EU and is registered under Regulation (EU) No 1060/2009, as amended (the "*CRA Regulation*"). As such, each of the Rating Agencies is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at http://www.esma.europa.eu/page/List-registered-and-certified-CRAs) in accordance with the CRA Regulation. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The Notes are being offered in reliance upon Rule 144A and Regulation S by each of Citigroup Global Markets Limited, Deutsche Bank AG, London Branch, Goldman Sachs International, HSBC Bank plc, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Standard Chartered Bank (each an "*Initial Purchaser*" and, collectively, the "*Initial Purchasers*"), subject to their acceptance and right to reject orders in whole or in part. It is expected that: (a) delivery of the Rule 144A Notes will be made in book-entry form only through the facilities of The Depository Trust Company ("*DTC*"), against payment therefor in immediately available funds on the Issue Date (*i.e.*, the fifth Business Day following the date of pricing of the Notes; such settlement cycle being referred to herein as "*T+5*")), and (b) delivery of the Regulation S Notes will be made in book-entry form only through the facilities of Euroclear Bank SA/NV ("*Euroclear*") and/or Clearstream Banking, *société anonyme* ("*Clearstream, Luxembourg*"), against payment therefor in immediately available funds on the Issue Date.

Joint Structuring Advisors and Joint Lead Managers

BofA Merrill Lynch **Standard Chartered Bank**

Joint Lead Managers

Citigroup **Deutsche Bank** **Goldman Sachs International** **HSBC**

The date of this Prospectus is January 29, 2015.

This Prospectus comprises a prospectus for the purposes of the Prospectus Directive. This document does not constitute a prospectus for the purpose of Section 12(a)(2) of, or any other provision of or rule under, the Securities Act.

This Prospectus is to be read in conjunction with all documents (or parts thereof) that are incorporated herein by reference (see "Documents Incorporated by Reference"). This Prospectus shall be read and construed on the basis that such documents (or parts thereof) are incorporated in, and form part of, this Prospectus.

RESPONSIBILITY STATEMENT

The Bank accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Bank, having taken all reasonable care, the information contained in (or incorporated by reference into) this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Bank, having made all reasonable enquiries, confirms that: (a) this Prospectus (including the information incorporated herein by reference) contains all information that in its view is material in the context of the issuance and offering of the Notes (or beneficial interests therein), (b) the information contained in, or incorporated by reference into, this Prospectus is true and accurate in all material respects and is not misleading, (c) any opinions, predictions or intentions expressed in this Prospectus (or in any of the documents (or portions thereof) incorporated herein by reference) on the part of the Bank are honestly held or made by the Bank and are not misleading in any material respects, and there are no other facts the omission of which would make this Prospectus or any of such information or the expression of any such opinions, predictions or intentions misleading in any material respect, and (d) all reasonable enquiries have been made by the Bank to ascertain such facts and to verify the accuracy of all such information and statements.

Neither this Prospectus nor any other information supplied in connection with the issue of the Notes constitutes an offer of, or an invitation by or on behalf of the Bank or the Initial Purchasers to subscribe for or purchase, the Notes (or beneficial interests therein). This Prospectus is intended only to provide information to assist potential investors in deciding whether or not to subscribe for or purchase Notes (or beneficial interests therein) in accordance with the terms and conditions specified by the Bank and the Initial Purchasers.

No person is or has been authorized by the Issuer in connection with the offering of the Notes (or beneficial interests therein) to give any information or make any representation regarding the Issuer, the Initial Purchasers or the Notes other than as contained in this Prospectus. Any such representation or information must not be relied upon as having been authorized by the Issuer or the Initial Purchasers. Neither the delivery of this Prospectus nor the offering, sale or delivery of any Notes (or beneficial interests therein) shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof (or, if such information is stated to be as of an earlier date, subsequent to such earlier date).

To the fullest extent permitted by law, none of the Initial Purchasers accepts any responsibility for the contents hereof or any information incorporated by reference into this Prospectus or any other information provided by the Issuer in connection with the Notes or for any statement made, or purported to be made, by an Initial Purchaser or on its behalf in connection with the Issuer or the issue and offering of the Notes (or beneficial interests therein). Each Initial Purchaser accordingly disclaims all and any liability whether arising in tort, contract or otherwise (except as referred to above) that it might otherwise have in respect hereof. Neither this Prospectus nor any financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer or the Initial Purchasers that any recipient of this Prospectus or any financial statements should invest in the Notes. Each potential investor in the Notes should determine for itself the relevance of the information contained herein and its investment in the Notes should be based upon such investigation as it deems necessary. None of the Initial Purchasers undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Initial Purchasers.

Neither this Prospectus nor any other information supplied in connection with the Notes: (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or any of the Initial Purchasers that any recipient of this Prospectus or any other information supplied in connection with the Notes should invest in the Notes. Each investor contemplating investing in the Notes

should: (i) determine for itself the relevance of the information contained in, or incorporated into, this Prospectus, (ii) make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and (iii) make its own determination of the suitability of any such investment in light of its own circumstances, with particular reference to its own investment objectives and experience, and any other factors that may be relevant to it in connection with such investment, in each case based upon such investigation as it deems necessary.

The Notes may not be a suitable investment for certain other investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

(a) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in, or incorporated by reference into, this Prospectus,

(b) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio,

(c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal and interest payments is different from the potential investor's currency,

(d) understands thoroughly the terms of the Notes and is familiar with the behavior of financial markets, and

(e) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

None of the Bank, the Initial Purchasers or any of their respective representatives is making any representation to any offeree or purchaser of Notes (or beneficial interests therein) regarding the legality of any investment by any such offeree or purchaser under applicable legal investment or other laws. Each potential investor should consult its legal advisers to determine whether and to what extent: (a) the Notes are legal investments for it, (b) its interest in the Notes can be used by it as collateral for various types of borrowing and (c) other restrictions apply to its purchase or pledge of any Notes (or beneficial interests therein). Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of investments in the Notes under any applicable risk-based capital or similar rules. Each potential investor should consult its own advisers as to the legal, tax, business, financial and related aspects of an investment in the Notes.

GENERAL INFORMATION

The distribution of this Prospectus and the offer and/or sale of the Notes (or beneficial interests therein) in certain jurisdictions may be restricted by law. The Issuer and the Initial Purchasers do not represent that this Prospectus may be lawfully distributed, or that the Notes (or beneficial interests therein) may be lawfully offered, in any such jurisdiction and do not assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer that is intended to permit a public offering of the Notes (or beneficial interests therein) or distribution of this Prospectus in any jurisdiction in which action for that purpose is required. Accordingly: (a) no Notes (or beneficial interests therein) may be offered or sold, directly or indirectly, and (b) neither this Prospectus nor any advertisement or other offering material may be distributed or published, in any jurisdiction except under circumstances that will result in compliance with all applicable laws and regulations. Persons into whose possession this Prospectus or any Notes (or beneficial interests therein) may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of the Notes (or beneficial interests therein). In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of the Notes (or beneficial interests therein) in the United States, the EEA (including the United Kingdom), Turkey, Switzerland, Japan, the People's Republic of China and the Hong Kong Special Administrative Region of the PRC. See "Transfer and Selling Restrictions."

The Notes have not been and will not be registered under the Securities Act or under the securities or "blue sky" laws of any state of the United States or any other U.S. jurisdiction. Each investor, by purchasing a Note (or a beneficial interest therein), agrees (or will be deemed to have agreed) that the Notes (or beneficial interests therein) may be reoffered, resold, pledged or otherwise transferred only upon registration under the Securities Act or pursuant to the relevant exemptions from the registration requirements thereof described herein and under "Transfer and Selling Restrictions" in the Base Prospectus incorporated by reference herein. Each investor in the Notes also will be deemed to have made certain representations and agreements as described in the Base Prospectus. Any resale or other transfer, or attempted resale or other attempted transfer, of the Notes (or a beneficial interest therein) that is not made in accordance with the transfer restrictions might subject the transferor and/or transferee to certain liabilities under applicable securities laws.

The Issuer has obtained the approved issuance certificate (*ihraç belgesi*) from the CMB (dated April 7, 2014 No. 29833736.105.03.01-706) (the "*CMB Approval*") and the BRSA approval (dated March 14, 2014 No. 43890421.101.02.01 [21.2]-6246) (the "*BRSA Approval*" and, together with the CMB Approval, the "*Approvals*") required for the issuance of the Notes. In addition to the Approvals, a tranche issuance certificate (*tertip ihraç belgesi*) in respect of the Notes is required to be obtained from the CMB by the Issuer on or before the Issue Date. As the Issuer is required to maintain all authorizations and approvals of the CMB necessary for the offer, sale and issue of Notes under the Program, the scope of the Approvals might be amended and/or new approvals from the CMB and/or the BRSA might be obtained from time to time. Pursuant to the Approvals, the offer, sale and issue of the Notes have been authorized and approved in accordance with Decree 32 on the Protection of the Value of the Turkish Currency (as amended from time to time, "*Decree 32*"), the Banking Law numbered 5411 and its related legislation, the Capital Markets Law numbered 6362 and Communiqué Serial II-31.1 on Debt Instruments (the "*Communiqué on Debt Instruments*"). The tranche issuance certificate from the CMB relating to the approval of the issue of the Notes is expected to be obtained on or before the Issue Date.

The Bank has obtained a letter dated October 14, 2014 and numbered 43890421-101.02.01[21.2]-24039 from the BRSA (the "*BRSA Tier II Approval*") approving the treatment of the Notes as Tier II capital of the Bank for so long as the Notes comply with the requirements of the Regulation on Equities of Banks as published in the Official Gazette dated September 5, 2013 and numbered 28756 (as amended from time to time) (the "*2013 BRSA Equities Regulation*"). The BRSA Tier II Approval is conditional upon the compliance of the Notes with the requirements of the 2013 BRSA Equities Regulation. Accordingly, among other requirements, if the Bank provides cash loans to, or purchases debt instruments issued by, an investor who holds 10% or more of the Notes (or beneficial interests therein), the Bank will be required to deduct such cash loan or debt instrument amount (or, in the case of the existence of both, the sum of each) from the amount of Notes held by such investor to be taken into consideration as Tier II capital. For a description of other regulatory requirements in relation to Tier II capital requirements, see "Turkish Regulatory Environment – Capital Adequacy" in the Base Prospectus.

In addition, the Notes (or beneficial interests therein) may only be offered or sold outside of Turkey in accordance with the Approvals. Under the CMB Approval, the CMB has authorized the offering, sale and issue of the Notes on the condition that no transaction that qualifies as a sale or offering of Notes (or beneficial interests therein) in Turkey may be engaged in. Notwithstanding the foregoing, pursuant to BRSA decision No. 3665 dated May 6, 2010 and in accordance with Decree 32, residents of Turkey may purchase or sell Notes (as they are denominated in a currency other than Turkish Lira) (or beneficial interests therein) offshore on an unsolicited (reverse inquiry) basis in the secondary markets only. Further, pursuant to Article 15(d)(ii) of Decree 32, Turkish residents may purchase or sell Notes (or beneficial interests therein) offshore on an unsolicited (reverse inquiry) basis; *provided* that such purchase or sale is made through banks or licensed brokerage institutions authorized pursuant to CMB regulations and the purchase price is transferred through banks. As such, Turkish residents should use banks or licensed brokerage institutions while purchasing the Notes (or beneficial interests therein) and should transfer the purchase price through banks.

Monies paid for purchases of Notes (or beneficial interests therein) are not protected by the insurance coverage provided by the Savings Deposit Insurance Fund (the "*SDIF*") of Turkey.

According to the Communiqué on Debt Instruments, the Notes are required to be issued in electronically registered form in the Central Registry Agency (*Merkezi Kayıt Kuruluşu*) (the "*CRA*") and the interests therein recorded in the CRA; *however*, upon the Issuer's request, the CMB may resolve to exempt the Notes from this requirement if the Notes are to be issued outside Turkey. Further to the Issuer's submission of an exemption request to the CMB, such exemption has been granted by the CMB to the Issuer by the CMB

Approval. As a result, this requirement will not be applicable to the Notes issued pursuant to the CMB Approval. Notwithstanding such exemption, the Issuer is required to notify the CRA within three Turkish business days from the Issue Date of the Notes of the amount, issue date, ISIN code, first payment date, maturity date, interest rate, name of the custodian and currency of the Notes and the country of issuance.

Other than the Approvals, the BRSA Tier II Approval and the Central Bank of Ireland's approval under the Prospectus Directive, the Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission (the "*SEC*"), any state securities commission or any other US, Turkish, Irish or other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Notes or the accuracy or determined the adequacy of the information contained in this Prospectus. Any representation to the contrary might be unlawful.

Notes offered and sold to QIBs in reliance upon Rule 144A (the "*Rule 144A Notes*") will be represented by beneficial interests in one or more Rule 144A Global Note(s) (as defined in the Base Prospectus). Notes offered and sold in offshore transactions to persons who are not U.S. persons pursuant to Regulation S (the "*Regulation S Notes*") will be represented by beneficial interests in a Regulation S Global Note (as defined in the Base Prospectus and, together with the Rule 144A Global Note(s), the "*Global Notes*").

The Regulation S Global Note will be deposited on or about the Issue Date with a common depositary (the "*Common Depositary*") for Euroclear and Clearstream, Luxembourg and will be registered in the name of a nominee of the Common Depositary. Except as described in this Prospectus, beneficial interests in the Regulation S Global Note will be represented through accounts of financial institutions acting on behalf of beneficial owners as direct and indirect accountholders in Euroclear and Clearstream, Luxembourg. The Rule 144A Global Note(s) will be deposited on or about the Issue Date with The Bank of New York Mellon, New York Branch, in its capacity as custodian (the "*Custodian*") for, and will be registered in the name of Cede & Co. as nominee of, DTC. Except as described in this Prospectus, beneficial interests in the Rule 144A Global Note(s) will be represented through accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC.

In connection with the issue of the Notes, Merrill, Lynch, Pierce, Fenner & Smith Incorporated (the "*Stabilization Manager*") (or persons acting on behalf of the Stabilization Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail; *however*, there is no assurance that the Stabilization Manager (or persons acting on behalf of the Stabilization Manager) will undertake any stabilization action. Any stabilization or over-allotment action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the Issue Date and 60 days after the date of the allotment of the Notes. Any stabilization action or over-allotment must be conducted by the Stabilization Manager (or persons acting on behalf of the Stabilization Manager) in accordance with all applicable laws and rules.

Notwithstanding anything herein to the contrary, the Bank may not (whether through over-allotment or otherwise) issue more Notes than have been authorized by the CMB.

In this Prospectus, "*Bank*" means Türkiye Vakıflar Bankası T.A.O. on a standalone basis and "*Group*" means the Bank and its subsidiaries (and, with respect to consolidated accounting information, its consolidated entities).

In this Prospectus, all references to "*Turkish Lira*" and "*TL*" refer to the lawful currency for the time being of the Republic of Turkey and "*U.S. Dollars*," "*US$*" and "*$*" refer to United States dollars.

The language of this Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law. In particular, but without limitation, the titles of Turkish legislation and the names of Turkish institutions referenced herein (and in the documents incorporated herein by reference) have been translated from Turkish into English. The translations of these titles and names are direct and accurate.

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RISK FACTORS

An investment in the Notes involves risk. Investors assume the risk that the Bank may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors that individually or together could result in the Bank becoming unable to make all payments due in respect of the Notes. Prospective investors in the Notes should consider carefully the information contained in this Prospectus and the documents (or parts thereof) that are incorporated herein by reference, and in particular should consider all the risks inherent in making such an investment, including the information under the heading "Risk Factors" (as revised hereby) in the Base Prospectus (the "*Program Risk Factors*"), before making a decision to invest in the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur as the Bank may not be aware of all relevant factors and certain factors that it currently deems not to be material may become material as a result of the occurrence of future events of which the Bank does not have knowledge as of the date of this Prospectus. The Bank has identified in the Program Risk Factors a number of factors that could materially adversely affect its ability to make payments due under the Notes.

In addition, factors that are material for the purpose of assessing the market risks associated with the Notes are also described in the Program Risk Factors. Prospective investors should also read the detailed information set out elsewhere in (or incorporated by reference into) this Prospectus and reach their own views prior to making any investment decision; *however*, the Bank does not represent that the risks set out in the Program Risk Factors or herein are exhaustive or that other risks might not arise in the future.

The Program Risk Factors are (except to the extent noted otherwise herein) incorporated by reference into this Prospectus and for these purposes references in the Program Risk Factors to "Notes" shall be construed as references to the Notes described in this Prospectus.

In addition, for purposes of the Notes, the Program Risk Factors shall be deemed to be revised as follows:

(a) The section of risk factors entitled "Risks Relating to the Structure of a Particular Issue of Notes" on page 29 of the Original Base Prospectus is hereby deleted in its entirety and replaced by the following (with references to Conditions in the following being references to the Conditions of the Notes as set forth in "Terms and Conditions of the Notes" herein):

Risks Relating to the Structure of the Notes

Subordination – Claims of Noteholders under the Notes will be subordinated and unsecured

On any distribution of the assets of the Bank on its dissolution, winding-up or liquidation (as further described in the definition of "Subordination Event" in Condition 3.4), and for so long as such Subordination Event continues, the Bank's obligations under the Notes will rank subordinate in right of payment to the payment of all Senior Obligations and no amount will be paid under the Notes until all such Senior Obligations have been paid in full. Unless the Bank has assets remaining after making all such payments, no payments will be made on the Notes. Consequently, although the Notes may pay a higher rate of interest than comparable notes that are not subordinated, there is a real risk that an investor in the Notes will lose all or some of its investment upon the occurrence of a Subordination Event.

Potential Permanent Write-Down – The outstanding principal amount of the Notes might be permanently written-down upon the occurrence of a Non-Viability Event with respect to the Issuer

If a Non-Viability Event occurs at any time, then the Issuer shall *pro rata* with the other Notes and any other Parity Loss-Absorbing Instruments reduce the then outstanding principal amount of each Note by the relevant Write-Down Amount. For these purposes, any determination of a Write-Down Amount will take into account the absorption of the relevant loss(es) to the maximum extent possible by all Junior Obligations and the Writing Down of the Notes *pro rata* with any other Parity Loss-Absorbing Instruments, thereby maintaining the intended respective rankings of the Issuer's obligations as described in Condition 3.1.

As of the date of this Prospectus, a number of corrective, rehabilitative and restrictive measures may be taken by the BRSA under Articles 68 to 70 of the Banking Law prior to any

determination of Non-Viability of the Issuer. In conjunction with any such determination, the relevant loss(es) of the Issuer may be absorbed by shareholders of the Issuer pursuant to Article 71 of the Banking Law upon: (a) the transfer of shareholders' rights and the management and supervision of the Issuer to the SDIF or (b) the revocation of the Issuer's operating license and its liquidation; *however*, the Write-Down of the Notes under the BRSA Regulation may take place before any such transfer or liquidation.

Condition 6.1 provides, among other things, that a Write-Down of the Notes shall only take place in conjunction with any such transfer or liquidation, which is intended to ensure that while the Write-Down of the Notes may take place before such transfer or liquidation, the intended respective rankings of the Issuer's obligations (as described in Condition 3.1) are maintained and the relevant loss(es) are absorbed by Junior Obligations to the maximum extent possible. Where a Write-Down of the Notes does take place before any such liquidation of the Issuer, Noteholders would only be able to claim and prove in the liquidation of the Issuer in respect of the outstanding principal amount of the Notes following such Write-Down.

Notwithstanding the above, should the BRSA determine that the Notes are to be Written-Down before the absorption of the relevant loss(es) by shareholders of the Issuer pursuant to Article 71 of the Banking Law or any other Statutory Loss Absorption Measure, there can be no assurance that such loss absorption will take place or that it will be taken into account by the BRSA in the determination of the Write-Down Amount.

Should such loss absorption not take place or be so taken into account by the BRSA, subject as described in "Limited Remedies" below, a Noteholder may institute proceedings against the Issuer to enforce the above provisions of the Notes; *however*, to the extent any judgment was obtained in the United Kingdom on the basis of English law as the governing law of the Notes (other than those provisions of the Conditions governed by Turkish law), there is uncertainty as to the enforceability of any such judgment by the Turkish courts. In addition, there are certain circumstances in which the courts of Turkey might not enforce a judgment obtained in the courts of another country, which are more fully described under the section entitled "Enforcement of Judgments and Service of Process" on page 227 of the Original Base Prospectus. Therefore there can be no assurance that a Noteholder would be able to enforce in Turkey any judgment obtained in the courts of another country in these circumstances.

Any write-down of the Notes would be permanent and Noteholders will have no further claim against the Issuer in respect of any Written-Down Amount of the Notes. Consequently, there is a real risk that an investor in the Notes will lose all or some of its investment upon the occurrence of a Non-Viability Event. Therefore, the occurrence of any such event or any suggestion of such occurrence could materially adversely affect the rights of Noteholders, the market price of investments in the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes. See Condition 6 for further information on any such potential write-downs of the Notes, including for the definitions of various terms used in this paragraph.

No Limits on Senior Obligations or Parity Obligations – There will be no limitation under the documents relating to the issuance of the Notes on the Bank's incurrence of Senior Obligations or Parity Obligations

There will be no restriction in the documents relating to the issuance of the Notes on the amount of Senior Obligations or Parity Obligations that the Bank may incur. The incurrence of any such obligations might reduce the amount recoverable by the Noteholders on any dissolution, winding up or liquidation of the Bank and might result in an investor in the Notes losing all or some of its investment.

Limited Remedies – Investors will have limited remedies under the Notes

A holder of a Note will only be able to accelerate payment of its principal amount, together with interest accrued and unpaid to the date of repayment, on the occurrence of a Subordination Event or otherwise on the winding-up, dissolution or liquidation of the Bank as described in Condition 11 and then claim or prove in the winding-up, dissolution or liquidation. Noteholders may institute proceedings against the Bank as described in Condition 11 to enforce any obligation, condition,

undertaking or provision binding on the Bank under the Notes (other than, without prejudice to the provisions above, any obligation for the payment of any principal or interest in respect of the Notes) but will not have any other right of acceleration under the Notes, whether in respect of any default in payment or otherwise, and the only remedy of a Noteholder on any default in a payment on the Notes will be to institute proceedings for the Bank's winding-up, dissolution or liquidation as described in Condition 11 and to claim or prove in the winding-up, dissolution or liquidation.

No other remedy will be available to Noteholders against the Bank, whether for the recovery of amounts owing in respect of the Notes or in respect of any breach by the Bank of any of its obligations, covenants or undertakings under the Notes, and Noteholders will not be able to take any further or other action to enforce, claim or prove for any payment by the Bank in respect of the Notes.

Reset Interest Rate – The interest rate on the Notes will be reset on the Issuer Call Date, which could affect interest payments on an investment in the Notes and the market price of any such investment

The Notes will initially bear interest at the Initial Interest Rate until (but excluding) the Issuer Call Date, at which time the Rate of Interest will be reset to the Reset Interest Rate. The Reset Interest Rate could be less than the Initial Interest Rate and thus could affect the market price of an investment in the Notes. See Condition 5 for further information of such resetting of the Rate of Interest, including for the definitions of various terms used in this paragraph.

Early Redemption – The Notes may be subject to early redemption at the option of the Issuer

The Bank will have the right to redeem the Notes at their outstanding principal amount together with interest accrued and unpaid to (but excluding) the Issuer Call Date, subject to having obtained the prior approval of the BRSA in accordance with Condition 8.3 of the Notes. This optional redemption feature is likely to limit the market price of investments in the Notes because, in the period leading up to when the Bank may elect to so redeem the Notes, the market price of investments in the Notes generally will not rise substantially above the price at which they can be redeemed.

An investor might not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes and might only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Redemption upon a Capital Disqualification Event - The Bank will have the right to redeem the Notes upon the occurrence of a Capital Disqualification Event

If a Capital Disqualification Event (as defined in Condition 8.4) occurs at any time after the Issue Date, the Bank will have the right to redeem the Notes at their outstanding principal amount together with interest accrued and unpaid to (but excluding) the date of redemption. A Capital Disqualification Event includes any changes in applicable law (including the BRSA Regulation), or the application or official interpretation thereof (which change in application or official interpretation is confirmed in writing by the BRSA), that will result in all or any part of the outstanding principal amount of the Notes to not be eligible for inclusion as Tier II capital of the Issuer (save where such exclusion is only as a result of any applicable limitation on the amount of such capital). Upon such a redemption, the investors in the Notes might not be able to reinvest the amounts received at a rate that will provide the same rate of return as their investment in the Notes. This redemption feature is also likely to limit the market price of investments in the Notes during any period in which the Bank may elect to redeem them, as the market price during this period generally will not rise substantially above the price at which they can be redeemed. This might similarly be true prior to any redemption period.

(b) The risk factor entitled "Risks Relating to Notes Generally – Effective Subordination" beginning on page 32 of the Original Base Prospectus is hereby deleted in its entirety.

(c) The risk factor entitled "Risks Relating to Notes Generally – Redemption for Taxation Reasons" beginning on page 33 of the Original Base Prospectus is hereby deleted in its entirety and replaced by the following (with references to Conditions in the following being references to the Conditions of the Notes as set forth in "Terms and Conditions of the Notes" herein):

Redemption for Taxation Reasons – The Bank will have the right to redeem the Notes upon the occurrence of certain changes requiring it to pay increased withholding taxes with respect to interest or other payments on the Notes

The withholding tax rate on interest payments in respect of bonds issued by Turkish legal entities outside of Turkey varies depending upon the original maturity of such bonds as specified under Decree 2009/14592 dated January 12, 2009, which has been amended by Decree No. 2010/1182 dated December 20, 2010 and Decree No. 2011/1854 dated April 26, 2011 (together, the "*Tax Decrees*"). Pursuant to the Tax Decrees, with respect to bonds with a maturity of five years and more, the withholding tax rate on interest is 0%. Accordingly, the initial withholding tax rate on interest on the Notes will be 0%; *however*, in case of early redemption, the redemption date might be considered to be the maturity date and higher withholding tax rates might apply accordingly. The Bank will have the right to redeem all, but not some only, of the Notes, subject to having obtained the prior approval of the BRSA, at any time at their then outstanding principal amount together with interest accrued and unpaid to (but excluding) the date of redemption if: (a) as result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined in Condition 9.2), or any change in the application or official interpretation of the laws or regulations of a Relevant Jurisdiction, which change or amendment becomes effective after January 29, 2015, on the next Interest Payment Date the Bank would be required to: (i) pay additional amounts as provided or referred to in Condition 9 (*Taxation*) and (ii) make any withholding or deduction for, or on account of, any Taxes imposed or levied by or on behalf of the Relevant Jurisdiction at a rate in excess of the applicable prevailing rates on such date, and (b) such requirement cannot be avoided by the Bank taking reasonable measures available to it. Upon such a redemption, investors in the Notes might not be able to reinvest the amounts received at a rate that will provide an equivalent rate of return as their investment in the Notes.

This redemption feature is also likely to limit the market price of investments in the Notes at any time when the Bank has the right to redeem them as provided above, as the market price at such time will generally not rise substantially above the price at which they can be redeemed. This might similarly be true in the period before such time when any relevant change in law or regulation is yet to become effective.

ADDITIONAL INFORMATION

The section entitled "Recent Developments - Other Recent Events" added to the Base Prospectus through the supplements to the Original Base Prospectus, most recently the supplement dated December 11, 2014, is hereby amended through the addition of the following at the end thereof:

On December 29, 2014, the Bank received US$139,499,797 for its sale of 1,367,330 shares of Mastercard Inc. and 86,714 shares of Visa Inc., which had previously been categorized as "available-for-sale financial assets".

On January 2, 2015, the Bank's board of directors determined to increase the Bank's registered capital ceiling to TL 10 billion from TL 5 billion, with the Bank's articles of association being to be updated accordingly if so approved by the Bank's shareholders at the shareholders' next general assembly. Applications for this increase were submitted to the CMB and the BRSA on January 7, 2015.

On January 20, 2015, the Central Bank reduced its one-week repo rate from 8.25% to 7.75%.

Amendments to the Communiqué Regarding Reserve Requirements was published in the Official Gazette dated January 3, 2015 and No. 29225 to enter into force on February 13, 2015. Such amendments include changes to the required reserve ratios for foreign currency liabilities provided under "Turkish Regulatory Environment - Liquidity and Reserve Requirements" of the Base Prospectus. Accordingly, as of the February 13, 2015, the reserve requirements for foreign currency liabilities will vary by category, as set forth below:

Category of Foreign Currency Liabilities	Required Reserve Ratio
Demand deposits, notice deposits, private current accounts, deposit/participation accounts up to 1-month, 3-month, 6-month and 1-year maturities	13%
Deposit/participation accounts with maturities of 1-year and longer	9%
Other liabilities up to 1-year maturity (including 1-year)	18%
Other liabilities up to 2-year maturity (including 2-year)	13%
Other liabilities up to 3-year maturity (including 3-year)	8%
Other liabilities up to 5-year maturity (including 5-year)	7%
Other liabilities longer than 5-year maturity	6%

DOCUMENTS INCORPORATED BY REFERENCE

The following documents (or parts thereof) that have previously been published or are published simultaneously with this Prospectus and have been filed with the Central Bank of Ireland shall be incorporated in, and form part of, this Prospectus:

(a) the sections of the Base Prospectus of the Bank dated April 8, 2014 (the "*Original Base Prospectus*"), as supplemented on May 27, 2014, June 9, 2014, September 26, 2014, November 4, 2014 and December 11, 2014 (the "*Base Prospectus*"), relating to the Program, entitled as set out in the table below (*it being understood* that such supplements are also incorporated by reference herein and the sections of the Original Base Prospectus set out in the table below should be read in conjunction with such supplements):

and for these purposes references in the Base Prospectus to "Notes" shall be construed as references to the Notes described in this Prospectus.

* The section entitled "Recent Developments" was added to the Base Prospectus through the supplements to the Original Base Prospectus, most recently the supplement dated December 11, 2014.

(b) the independent auditors' audit reports and audited consolidated IFRS Financial Statements of the Group for each of the years ended December 31, 2011, 2012 and 2013,

(c) the independent auditors' review report and unaudited interim consolidated IFRS Financial Statements of the Group for each of the six month periods ended June 30, 2013 and 2014,

(d) the independent auditors' audit reports and audited consolidated BRSA Financial Statements of the Group for each of the years ended December 31, 2011, 2012 and 2013,

(e) the independent auditors' audit reports and audited unconsolidated BRSA Financial Statements of the Bank for each of the years ended December 31, 2011, 2012 and 2013,

(f) the independent auditors' review report and unaudited interim consolidated BRSA Financial Statements of the Group for each of the nine month periods ended September 30, 2013 and 2014, and

(g) the independent auditors' review report and unaudited interim unconsolidated BRSA Financial Statements of the Bank for each of the nine month periods ended September 30, 2013 and 2014.

Following the publication of this Prospectus, a supplement may be prepared by the Issuer and approved by the Central Bank of Ireland in accordance with Article 16 of the Prospectus Directive in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Prospectus that is capable of affecting the assessment of the Notes.

Any statement contained in a document (or a portion thereof) that is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein or in any other document incorporated by reference herein, or in any supplement hereto, modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus. Where there is any inconsistency between the information contained in this Prospectus and the information contained in (or incorporated by reference into) the information incorporated by reference herein, the information set out in this Prospectus shall prevail.

Copies of documents (or parts thereof) incorporated by reference in this Prospectus are available on the Bank's website at:

(a) http://www.vakifbank.com.tr/base-prospectus-relating-to-us-5000000000-global-medium-note-programme.aspx?pageID=1011 (with respect to the Original Base Prospectus),

(b) http://www.vakifbank.com.tr/first-supplement-dated-may-27-2014-to-the-base-prospectus--dated-april-8-2014.aspx?pageID=1012 (with respect to the May 27, 2014 supplement to the Original Base Prospectus),

(c) http://www.vakifbank.com.tr/second-supplement-dated-june-9-2014-to-the-base-prospectus--dated-april-8-2014.aspx?pageID=1014 (with respect to the June 9, 2014 supplement to the Original Base Prospectus),

(d) http://www.vakifbank.com.tr/third-supplement-dated-september-26-2014-to-the-base-prospectus-dated-april-8-2014.aspx?pageID=1062 (with respect to the September 26, 2014 supplement to the Original Base Prospectus),

(e) http://www.vakifbank.com.tr/fourth-supplement-dated-november-4-2014--to-the-base-prospectus-dated-april-8-2014.aspx?pageID=1081(with respect to the November 4, 2014 supplement to the Original Base Prospectus)

(f) http://www.vakifbank.com.tr/fifth-supplement-dated-december-11-2014--to-the-base-prospectus-dated-april-8-2014.aspx?pageID=1096 (with respect to the December 11, 2014 supplement to the Original Base Prospectus)

(g) http://www.vakifbank.com.tr/ifrs-reports.aspx?pageID=639 (with respect to the IFRS Financial Statements of the Group for each of the years ended December 31, 2011, 2012 and 2013 and the six month period ending June 30, 2013 and 2014),

(h) http://www.vakifbank.com.tr/tas-consolidated.aspx?pageID=646 (with respect to the BRSA Financial Statements of the Group for each of the years ended December 31, 2011, 2012 and 2013 and for each of the nine month periods ended September 30, 2013 and 2014), and

(i) http://www.vakifbank.com.tr/tas-bank-only.aspx?pageID=644 (with respect to the BRSA Financial Statements of the Bank for each of the years ended December 31, 2011, 2012 and 2013 and for each of the nine month periods ended September 30, 2013 and 2014).

Where only parts of a document are being incorporated by reference, the non-incorporated parts of that document are either not material for an investor in the Notes or are covered elsewhere in this Prospectus. Any documents themselves incorporated (or parts of which are incorporated) by reference into the documents incorporated by reference into this Prospectus do not (and shall not be deemed to) form part of this Prospectus.

The contents of any website referenced in this Prospectus do not form part of (and are not incorporated into) this Prospectus.

OVERVIEW OF THE OFFERING

The following overview does not purport to be complete but sets out certain information relating to the offering of the Notes, including the principal provisions of the terms and conditions thereof. The following is indicative only, does not purport to be complete and is qualified in its entirety by the more detailed information appearing elsewhere in this Prospectus (including in the Base Prospectus). See, in particular, "Terms and Conditions of the Notes."

Issue:	US$500,000,000 Fixed Rate Resettable Tier II Notes due 2025, which are issued in compliance with Article 8 of the 2013 BRSA Equities Regulation and the BRSA Tier II Approval and subject to the CMB's approval in accordance with the Communiqué on Debt Instruments and Article 15(b) of Decree 32.
Interest and Interest Payment Dates:	The Notes will bear interest from and including the Issue Date (*i.e.*, February 2, 2015) to (but excluding) the Issuer Call Date (*i.e.*, February 3, 2020) at a fixed rate of 6.875% *per annum*. From (and including the Issuer Call Date to (but excluding) the Maturity Date (*i.e.*, February 3, 2025), the Notes will bear interest at a fixed rate equal to the Reset Interest Rate. Interest will be payable semi-annually in arrear on each Interest Payment Date (*i.e.*, the third day of each February and August); *provided* that if any such date is not a Payment Business Day (as defined in Condition 7.4), then the Noteholders will not be entitled to payment until the next Payment Business Day and, in any such case, will not be entitled to further interest or other payment in respect of such delay; *it being understood* that the amount of interest payable on the first Interest Payment Date (*i.e.*, August 3, 2015) will be in respect of the long first Interest Period from (and including) the Issue Date to (but excluding) August 3, 2015. "*Reset Interest Rate*" means the rate *per annum* equal to the aggregate of: (a) the Reset Margin (*i.e.*, 5.439% *per annum*) and (b) the 5 Year Mid-Swap Rate (as defined in Condition 5.4), as determined by the Fiscal Agent on the third Business Day immediately preceding the Issuer Call Date (*i.e.*, the Reset Determination Date).
Maturity Date:	Unless previously redeemed and cancelled as provided in the Conditions, the Notes will be redeemed by the Bank at their outstanding principal amount on the Maturity Date (*i.e.*, February 3, 2025).
Use of Proceeds:	The net proceeds of the Offering will be used by the Bank for general corporate purposes.
Regulatory Treatment:	Application was made by the Bank to the BRSA for confirmation that the full principal amount of the Notes will qualify for initial treatment as "Tier II" capital (as provided under Article 8 of the 2013 BRSA Equities Regulation), which approval (*i.e.*, the BRSA Tier II Approval) was received on October 14, 2014. See "Turkish Regulatory Environment - Capital Adequacy – Tier II Rules under Turkish Law – New Tier II Rules."
Status and Subordination:	Please refer to Condition 3.1.
Non-Viability/Write-Down of the Notes: ...	If a Non-Viability Event occurs at any time, the Issuer will *pro rata* with the other Notes and any other Parity Loss-Absorbing Instruments reduce the then outstanding principal amount of each Note by the relevant Write-Down Amount in the manner described

	in Condition 6. Please refer to Condition 6 for further information on such potential Write-Downs, including for the definitions of various terms used in this section.
No Set-off or Counterclaim:	Please refer to Condition 3.2.
No Link to Derivative Transactions, Guarantees or Security:	Please refer to Condition 3.3.
Certain Covenants:	The Bank will agree to certain covenants, including covenants limiting transactions with affiliates. Please refer to Condition 4.
Issuer Call:	The Bank may, having given not less than 30 nor more than 60 days' notice to the Noteholders (which notice will be irrevocable and will specify the date fixed for redemption), redeem all but not some only of the Notes then outstanding, subject to having obtained the prior approval of the BRSA, on the Issuer Call Date (*i.e.*, February 3, 2020) at their then outstanding principal amount together with interest accrued and unpaid to (but excluding) the Issuer Call Date. Please refer to Condition 8.3 for further information.
Optional Redemption for Capital Disqualification Event:	Please refer to Condition 8.4.
Taxation; Payment of Additional Amounts:	Please refer to Condition 9. Under current Turkish law, withholding tax at the rate of 0% applies on interest on the Notes. See "Taxation - Certain Turkish Tax Considerations" in the Base Prospectus.
Optional Redemption for Taxation Reasons:	Please refer to Condition 8.2.
Events of Default:	Upon the occurrence of certain events, the holder of any Note may exercise certain limited remedies. Please see Condition 11 for further information.
Form, Transfer and Denominations:	Notes offered and sold in reliance upon Regulation S will be represented by beneficial interests in a Regulation S Global Note in registered form, without interest coupons attached, which will be deposited with the Common Depositary and registered in the name of the Common Depositary (or a nominee thereof). Notes offered and sold in reliance upon Rule 144A will be represented by beneficial interests in one or more Rule 144A Global Note(s), in registered form, without interest coupons attached, which will be deposited with the Custodian and registered in the name of Cede & Co. as nominee for DTC. Except in limited circumstances, certificates for the Notes will not be issued to investors in exchange for beneficial interests in the Global Notes. Interests in the Regulation S Global Note for the Notes will be represented in, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream, Luxembourg (or their respective direct or indirect participants, as applicable). Interests in the Rule 144A Global Note(s) for the Notes will be shown on, and transfers thereof will be effected only through, records maintained by DTC (or its direct or indirect participants, as applicable). Interests in the Global Notes will be subject to certain

	restrictions on transfer. See "Transfer and Selling Restrictions" in the Base Prospectus. Notes will be issued in denominations of US$200,000 and in integral multiples of US$1,000 in excess thereof.
***Purchases by the Issuer and its Affiliates*:**	Please see Condition 8.5.
***ERISA*:**	Subject to certain conditions, the Notes may be invested in by an "employee benefit plan" as defined in and subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended ("*ERISA*"), a "plan" as defined in and subject to Section 4975 of the Code, or any entity whose underlying assets include "plan assets" of any of the foregoing. See "Certain Considerations for ERISA and other U.S. Employee Benefit Plans" in the Base Prospectus.
Governing Law:	The Notes will be, and the Agency Agreement, the Deed of Covenant and the Deed Poll are, and any non-contractual obligations arising out of, or in connection with, any of them will be, governed by and construed in accordance with English law, except for the provisions of Condition 3 (including as referred to in Condition 6.1), which will be governed by, and construed in accordance with, Turkish law.
Listing:	An application has been made to the Irish Stock Exchange to admit the Notes to listing on the Official List and trading on the Main Securities Market; *however*, no assurance can be given that such application will be accepted.
Turkish Selling Restrictions:	The offer and sale of the Notes (or beneficial interests therein) are subject to restrictions in Turkey in accordance with applicable CMB and BRSA laws and regulations. See "Plan of Distribution" below and "Transfer and Selling Restrictions - Selling Restrictions - Turkey" in the Base Prospectus.
Other Selling Restrictions:	The Notes have not been and will not be registered under the Securities Act or any state securities laws and the Notes (or beneficial interests therein) may not be offered or sold within the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S under the Securities Act) except to QIBs in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The offer and sale of Notes (or beneficial interests therein) are also subject to restrictions in the United Kingdom and other jurisdictions. See "Transfer and Selling Restrictions" in the Base Prospectus.
Risk Factors:	For a discussion of certain risk factors relating to Turkey, the Bank and the Notes that prospective investors should carefully consider prior to making an investment in the Notes, including certain risks relating to the structure of the Notes and certain market risks, see "Risk Factors."
Issue Price:	99.687% of the principal amount of the Notes payable in full in U.S. Dollars on the Issue Date

Yield:	6.950% *per annum* (for the period through the Issuer Call Date)
Regulation S Global Notes Security Codes:	ISIN: XS1175854923 Common Code: 117585492
Rule 144A Global Notes Security Codes: ...	ISIN: US90015WAC73 CUSIP: 90015WAC7 Common Code: 117243141
Representation of Noteholders:	There will be no trustee.
Expected Ratings:	BB+" by Fitch and "Ba3" by Moody's.
Fiscal Agent and Principal Paying Agent:	The Bank of New York Mellon, London Branch
Registrar, Transfer Agent and Paying Agent:	The Bank of New York Mellon (Luxembourg) S.A.
United States Paying Agent and Transfer Agent:	The Bank of New York Mellon, New York Branch

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the Terms and Conditions of the Notes that, except for the provisions in italics, will be attached to each Global Note (as defined below). With respect to each definitive Note, the Terms and Conditions will be endorsed onto such definitive Note.

This Note is one of a Series (as defined below) of US$500,000,000 Fixed Rate Resettable Tier II Notes due 2025 (the **"Notes"**) issued by Türkiye Vakıflar Bankası T.A.O. (the **"Issuer"**) pursuant to the Agency Agreement (as defined below).

References to **"Notes"** means: (a) in relation to any Notes represented by a global Note (a **"Global Note"**), such Global Note (or any nominal amount thereof of a Specified Denomination), and (b) in relation to any definitive Notes, such definitive Notes in registered form.

The Notes have the benefit of an agency agreement dated 3 April 2013 and supplemented by the supplemental agency agreements dated 8 April 2014 and 2 February 2015 (as further amended and/or supplemented and/or restated from time to time, the **"Agency Agreement"**) and made among the Issuer, The Bank of New York Mellon, London Branch, as issuing and principal paying agent and agent bank (the **"Fiscal Agent"**, which expression shall include any successor fiscal agent) and the other paying agents named therein (together with the Fiscal Agent, the **"Paying Agents"**, which expression shall include any additional or successor paying agents), The Bank of New York Mellon, New York Branch as exchange agent (the **"Exchange Agent"**, which expression shall include any successor exchange agent), The Bank of New York Mellon (Luxembourg) S.A. as registrar (the **"Registrar"** which expression shall include any successor registrar) and a transfer agent and the other transfer agents named therein (together with the Registrar, the **"Transfer Agents"**, which expression shall include any additional or successor transfer agents).

Any reference to a **"Noteholder"** or **"holder"** in relation to a Note means the person(s) in whose name such Note is registered, and shall, in relation to any Notes represented by a Global Note, be construed as provided below.

As used herein, **"Tranche"** means Notes that are identical in all respects (including as to date of issue, listing and admission to trading) and **"Series"** means a Tranche of Notes together with any other Tranche(s) of Notes: (a) that are expressed in their terms to be consolidated and form a single series and (b) the terms and conditions of which are identical in all respects except for their respective issue dates (each, an **"Issue Date"**) and, in certain cases, interest commencement dates and issue prices.

The Noteholders are entitled to the benefit of a deed of covenant (such deed of covenant as amended and/or supplemented and/or restated from time to time, the **"Deed of Covenant"**) dated 3 April 2013 and made by the Issuer. The original of the Deed of Covenant is held by the common depositary for Euroclear Bank SA/NV (**"Euroclear"**) and/or Clearstream Banking, *société anonyme* (**"Clearstream, Luxembourg"**).

Copies of the Agency Agreement, a deed poll (such deed poll as amended and/or supplemented and/or restated from time to time, the **"Deed Poll"**) dated 3 April 2013 and made by the Issuer, and the Deed of Covenant are available for inspection during normal business hours at the specified office of each of the Fiscal Agent, the other Paying Agents, the Registrar, the Exchange Agent and the other Transfer Agents (such agents being together referred to as the **"Agents"**). The Noteholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Deed Poll and the Deed of Covenant. The statements in these Terms and Conditions (these **"Conditions"**) include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and these Conditions, these Conditions shall prevail.

1. FORM, DENOMINATION AND TITLE

1.1 Form and Denomination

The Notes are in registered form, will be numbered serially with an identifying number that the Issuer will procure to be recorded on the relevant Note and in the register of Noteholders and are issued in

amounts of US$200,000 and in integral multiples of US$1,000 thereafter (each a "**Specified Denomination**"). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination. The Notes are issued pursuant to the Turkish Commercial Code (No. 6102), the Capital Markets Law (No. 6362) of Turkey and the Communiqué on Debt Instruments Serial: II, No: 31.1 of the Turkish Capital Markets Board (in Turkish: *Sermaye Piyasası Kurulu*) (the **"CMB"**). The proceeds of the Notes shall be paid in cash in a single sum to the Issuer.

1.2 Title

Subject as set out below, title to the Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer and any Agent will (except as otherwise required by law) deem and treat the registered holder of any Note as the absolute owner thereof (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest or any writing on, or the theft or loss of, such Note) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next two paragraphs.

For so long as the Depository Trust Company (**"DTC"**) or its nominee is the registered holder of a Global Note, DTC or such nominee, as the case may be, will be considered the sole owner and holder of the Notes represented by such Global Note for all purposes under the Agency Agreement and such Notes except to the extent that in accordance with DTC's published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through DTC participants.

For so long as any of the Notes are represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg, as the case may be, as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg, as the case may be, as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes except in the case of manifest error) shall (upon their receipt of such certificate or other document) be treated by the Issuer and the Agents as if such person were the holder of such nominal amount of such Notes (and the registered holder of such Global Note shall be deemed not to be the holder) for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the registered holder of any such Global Note shall be treated by the Issuer and each Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of such Global Note; *it being understood* that, with respect to any beneficial interests held by or on behalf of Euroclear and/or Clearstream, Luxembourg in a Global Note held by DTC or a nominee thereof, the rules of the preceding paragraph shall apply, and the expressions **"Noteholder"** and **"holder of Notes"** and related expressions shall be construed accordingly.

Notes that are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of DTC, Euroclear and Clearstream, Luxembourg, as the case may be. References to DTC, Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system as may be approved by the Issuer and the Fiscal Agent.

2. TRANSFERS OF NOTES

2.1 Transfers of interests in Global Notes

Transfers of beneficial interests in Global Notes will be effected by DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and (in turn) by direct and (if appropriate) indirect participants or accountholders in such clearing systems acting on behalf of transferors and transferees of such beneficial interests. A beneficial interest in a Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for a Note in definitive form or for a beneficial interest in another Global Note, in each case only in the Specified Denominations and only in accordance with the then applicable rules and operating procedures of DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement; *it being understood* that both the transferee and (if less than a transfer of its entire interest) the transferor must immediately thereafter retain beneficial interests in an amount at least equal to the minimum Specified Denomination. Transfers of a Global Note registered

in the name of a nominee for DTC shall be limited to transfers of such Global Note, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor's nominee.

2.2 Transfers of Notes in definitive form

Subject as provided in Condition 2.4, upon the terms and subject to the conditions set forth in the Agency Agreement, a Note in definitive form may be transferred in whole or in part (in the Specified Denominations). In order to effect any such transfer: (a) the holder(s) must: (i) surrender such Note for registration of the transfer thereof (or of the relevant part thereof) at the specified office of any Transfer Agent, with the form of transfer (substantially in the form set out in the Agency Agreement, completed as appropriate) thereon duly executed by such holder(s) (or by attorney(s) duly authorised in writing therefor) and (ii) complete and deliver such other certifications as may be required by the relevant Transfer Agent and (b) the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person(s) making the request. Any such transfer will be subject to such additional reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 10 to the Agency Agreement). Subject as provided above, the relevant Transfer Agent will, within three business days (being for this purpose a day on which commercial banks are open for business in the city where the specified office of the relevant Transfer Agent is located) of its receipt of such a request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate (or procure the authentication of) and: (x) deliver, or procure the delivery of, at its specified office to the specified transferee or (y) if so requested by the specified transferee (and then at the risk of such transferee), send by uninsured mail, to such address as such transferee may request, a new Note in definitive form of a like aggregate nominal amount to the Note (or the relevant part of the Note) being transferred. In the case of the transfer of part only of a Note in definitive form, a new Note in definitive form in respect of the balance of the Note not transferred will be so authenticated and delivered or (if so requested by the transferor, and then at the risk of the transferor) sent by uninsured mail to the transferor; *it being understood* that both the new Note for the transferee and the transferor must be in a Specified Denomination. No transfer of a Note will be valid unless and until entered on the Register.

2.3 Costs of registration

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer of the Notes in the Register (as defined in Condition 7.4 below) as provided in this Condition 2, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer and/or any Agent may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration and/or transfer.

2.4 Noteholder establishment of clearing of a definitive Note

For so long as any Notes are represented by a Global Note, holders of Notes in definitive form may (to the extent that they have established settlement through DTC, Euroclear and/or Clearstream, Luxembourg) exchange their Notes for interests in the relevant Global Note at any time.

3. STATUS OF THE NOTES

3.1 Subordination

The Notes will constitute direct, unsecured and subordinated obligations of the Issuer and shall, in the case of a Subordination Event and for so long as that Subordination Event subsists, rank:

(a) subordinate in right of payment to the payment of all Senior Obligations;

(b) *pari passu* without any preference among themselves and with all Parity Obligations; and

(c) in priority to all payments in respect of Junior Obligations.

By virtue of such subordination of the Notes, no amount will, in the case of a Subordination Event and for so long as that Subordination Event subsists, be paid under the Notes until all payment obligations in respect of Senior Obligations have been satisfied.

3.2 No Set-off or Counterclaim

All payment obligations of, and payments made by, the Issuer under and in respect of the Notes must be determined and made without reference to any right of set-off or counterclaim of any holder of the Notes, whether arising before or in respect of any Subordination Event. By virtue of the subordination of the Notes, following a Subordination Event and for so long as that Subordination Event subsists and prior to all payment obligations in respect of Senior Obligations having been satisfied, no holder of the Notes shall exercise any right of set-off or counterclaim in respect of any amount owed to such holder by the Issuer in respect of the Notes and any such rights shall be deemed to be waived.

3.3 No Link to Derivative Transactions

The Issuer will not: (a) link its obligations in respect of the Notes to any derivative transaction or derivative contract in a way which would result in a violation of Article 8(2)(b) of the BRSA Regulation or (b) provide in any manner for such obligations to be the subject of any guarantee or security.

3.4 Interpretation

In these Conditions:

"BRSA" means the Banking Regulation and Supervision Agency (*Bankacılık Düzenleme ve Denetleme Kurumu*) of Turkey or such other governmental authority in Turkey having primary bank supervisory authority with respect to the Issuer,

"BRSA Regulation" means the BRSA Regulation on the Equity of Banks (published in the Official Gazette dated 5 September 2013 (No. 28756), with an effective date of 1 January 2014),

"Junior Obligations" means any class of share capital (including ordinary and preferred shares) of the Issuer together with any obligations of the Issuer in respect of any securities or other instruments, including any present and future subordinated loans or debt instruments (as provided under Article 7 of the BRSA Regulation), or other payment obligations of the Issuer, which obligations in each case rank, or are expressed to rank, junior to the Issuer's obligations under the Notes,

"Parity Obligations" means any obligations of the Issuer in respect of any securities or other instruments, including any present and future subordinated loans or debt instruments (as provided under Article 8 of the BRSA Regulation), or other payment obligations of the Issuer, which in each case rank, or are expressed to rank, *pari passu* with the Issuer's obligations under the Notes,

"Senior Obligations" means any of the Issuer's present and future indebtedness and other obligations (including, without limitation: (a) obligations for any Senior Taxes, statutory preferences and other legally-required payments, (b) obligations to depositors and trade creditors, and (c) obligations under hedging and other financial instruments), other than its obligations under (i) the Notes, (ii) any Parity Obligations and (iii) any Junior Obligations,

"Senior Taxes" means any tax, levy, fund, impost, duty or other charge or withholding of a similar nature (including any related penalty or interest) including, without limitation, the Banking and Insurance Transactions Tax (*Banka ve Sigorta Muameleleri Vergisi*) imposed by Article 28 of the Expenditure Taxes Law (No. 6802), income withholding tax pursuant to the Decrees of the Council of Ministers of Turkey (No. 2011/1854 and 2010/1182), Articles 15 and 30 of the Corporate Income Tax Law (No. 5520) and Article 94 and Provisional Article 67 of the Income Tax Law (No. 193), any reverse VAT imposed by the VAT Law (No. 3065), any stamp tax imposed by the Stamp Tax Law (No. 488) and any withholding tax imposed by, or anti-tax haven regulations under, Article 30.7 of the Corporate Income Tax Law (No. 5520),

"Subordination Event" means any distribution of the assets of the Issuer on a dissolution, winding-up or liquidation of the Issuer whether in bankruptcy, insolvency, receivership, voluntary or mandatory reorganisation of indebtedness (*konkordato*) or any analogous proceedings referred to in the Banking Law (No. 5411), the Turkish Commercial Code (No. 6102) or the Turkish Execution and Bankruptcy Code (No. 2004), and

"Turkey" means the Republic of Turkey.

4. COVENANTS

4.1 Maintenance of Authorisations

So long as any Note remains outstanding, the Issuer shall take all necessary action to maintain, obtain and promptly renew, and do or cause to be done all things reasonably necessary to ensure the continuance of, all consents, permissions, licences, approvals and authorisations, and make or cause to be made all registrations, recordings and filings, which may at any time be required to be obtained or made in Turkey (including, without limitation, with the CMB and the BRSA) for: (a) the execution, delivery or performance of the Agency Agreement, the Deed of Covenant, the Deed Poll and the Notes or for the validity or enforceability thereof or (b) the conduct by it of the Permitted Business, save for any consents, permissions, licences, approvals, authorisations, registrations, recordings and filings that are immaterial in the conduct by the Issuer of the Permitted Business.

4.2 Transactions with Affiliates

So long as any Note remains outstanding, the Issuer shall not, and shall procure that none of its Subsidiaries will, in any 12 month period: (a) make any payment to, (b) sell, lease, transfer or otherwise dispose of any of its properties, revenues or assets to, (c) purchase any properties, revenues or assets from or (d) enter into or make or amend any transaction, contract, agreement, understanding, loan, advance, indemnity or guarantee (whether related or not) with, or for the benefit of, any Affiliate (each, an **"Affiliate Transaction"**) which Affiliate Transaction has (or when taken together with any other Affiliate Transactions during such 12 month period, in the aggregate, have) a value in excess of US$50,000,000 (or its equivalent in any other currency) unless such Affiliate Transaction (and each such other aggregated Affiliate Transaction) is on terms that are no less favourable to the Issuer or the relevant Subsidiary than those that would have been obtained in a comparable transaction by the Issuer or such Subsidiary with an unrelated Person.

4.3 Financial Reporting

So long as any Note remains outstanding, the Issuer shall deliver to the Fiscal Agent for distribution to any Noteholder upon such Noteholder's written request to the Fiscal Agent:

(a) not later than six months after the end of each financial year of the Issuer, English language copies of the Issuer's audited consolidated financial statements for such financial year, prepared in accordance with IFRS consistently applied, together with the corresponding financial statements for the preceding financial year, and all such annual financial statements of the Issuer shall be accompanied by the report of the auditors thereon, and

(b) not later than 120 days after the end of the first six months of each financial year of the Issuer, English language copies of its unaudited consolidated financial statements for such six-month period, prepared in accordance with IFRS consistently applied, together with the financial statements for the corresponding period of the previous financial year, and all such interim financial statements of the Issuer shall be accompanied by a review report of the auditors thereon.

4.4 Merger, Amalgamation, Consolidation, Sale, Assignment or Disposal

So long as any Note remains outstanding, the Issuer shall not merge, amalgamate or consolidate with or into, or sell, assign or otherwise dispose of all or substantially all of its property and assets (whether in a single transaction or a series of related transactions) to, any other person (a **"New Bank"**) without the prior approval of the holders of the Notes by way of an Extraordinary Resolution unless either:

(a) (i) the New Bank is incorporated, domiciled and resident in Turkey and executes a deed poll and such other documents (if any) as may be necessary to give effect to its assumption of all of the obligations, covenants, liabilities and rights of the Issuer in respect of the Notes (together, the **"Documents"**) and (without limiting the generality of the foregoing) pursuant to which the New Bank shall undertake in

favour of each Noteholder to be bound by the Notes, these Conditions and the provisions of the Agency Agreement, the Deed of Covenant and the Deed Poll as fully as if it had been named in the Notes, these Conditions, the Agency Agreement, the Deed of Covenant and the Deed Poll in place of the Issuer; and

(ii) the Issuer (or the New Bank) delivers to the Fiscal Agent a legal opinion from a leading firm of lawyers in each of Turkey and England to the effect that, subject to no greater limitations as to enforceability than those which would apply in any event in the case of the Issuer, the Documents constitute or, when duly executed and delivered, will constitute, legal valid and binding obligations of the New Bank, with each such opinion to be dated not more than seven days prior to the date of such merger, amalgamation or consolidation or sale, assignment or other disposition,

and provided that: (A) none of the events or circumstances described in paragraphs (a), (b) or (c) in Condition 11 below has occurred and is continuing and (B) such merger, amalgamation or consolidation or sale, assignment or other disposition does not and would not (I) result in any other default or breach of the obligations and covenants of the Issuer under the Notes or of the New Bank on its assumption of such obligations and covenants in accordance with the provisions of this Condition 4.4(a) or (II) otherwise have a Material Adverse Effect, or

(b) the surviving legal entity following any such merger, amalgamation or consolidation is the Issuer.

4.5 Interpretation

For the purposes of this Condition 4:

(a) **"Affiliate"** means, in respect of any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person, and, in the case of a natural Person, any immediate family member of such Person; for the purposes of this definition, **"control"**, as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise, and the terms **"controlling"**, **"controlled by"** and **"under common control with"** shall have corresponding meanings,

(b) **"IFRS"** means the requirements of International Financial Reporting Standards (formerly International Accounting Standards) issued by the International Accounting Standards Board (the **"IASB"**) and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB (as amended, supplemented or re-issued from time to time),

(c) **"Group"** means the Issuer and its Subsidiaries,

(d) **"Material Adverse Effect"** means a material adverse effect on: (i) the business, financial condition or results of operations of the Issuer or the Group, or (ii) the Issuer's ability to perform its obligations under the Notes, which shall be determined by reference to the Issuer and the Group immediately prior to, and to the New Bank and the New Group immediately after, the relevant merger, amalgamation or consolidation or sale, assignment or other disposition,

(e) **"New Group"** means the New Bank and its Subsidiaries,

(f) **"Permitted Business"** means any business that is the same as or related, ancillary or complementary to any of the businesses of the Issuer on the Issue Date,

(g) **"Person"** means any individual, company, unincorporated association, government, state agency, international organisation or other entity, and

(h) **"Subsidiary"** means, in relation to any Person, any company: (i) in which such Person holds a majority of the voting rights, (ii) of which such Person is a member and has the right to appoint or remove a majority of the board of directors or (iii) of which such Person is a member and controls a majority of the voting rights, and includes any company that is a Subsidiary of a Subsidiary of such Person. In relation to the consolidated financial statements of the Issuer, a Subsidiary shall also include any other Person that is (in accordance with applicable laws and IFRS) consolidated with the Issuer.

5. INTEREST

5.1 Interest Rate and Interest Payment Dates

Each Note bears interest from (and including) the Issue Date:

(a) in respect of the period from (and including) the Issue Date to (but excluding) the Issuer Call Date, at the rate of 6.875 *per cent. per annum* (the **"Initial Interest Rate"**); and

(b) in respect of the period from (and including) the Issuer Call Date to (but excluding) the Maturity Date (the **"Reset Period"**), at the rate *per annum* equal to the aggregate of: (i) the Reset Margin and (ii) the 5 Year Mid-Swap Rate (the **"Reset Interest Rate"** and, together with the Initial Interest Rate, each, a **"Rate of Interest"**), as determined by the Fiscal Agent on the Reset Determination Date.

Interest will be payable semi-annually in arrear on each of 3 February and 3 August (the **"Interest Payment Dates"**) in each year up to (and including) the Maturity Date.

In the case of any Write-Down (as defined in Condition 6.1) of the Notes, interest will be paid on the Notes on and to (but excluding) the date of the Write-Down if the Notes are Written-Down in full but will otherwise continue to be paid on each Interest Payment Date in respect of the outstanding principal amount of the Notes on such Interest Payment Date together, on the Interest Payment Date immediately following such Write-Down, with any accrued and unpaid interest on the Written-Down principal amount of the Notes to (but excluding) the date of the Write-Down.

Interest shall be calculated in respect of any period by applying the Rate of Interest to:

(i) in the case of Notes that are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note, or

(ii) in the case of Notes in definitive form, US$1,000 (the **"Calculation Amount"**),

and, in each case, multiplying such sum by 30/360, and rounding the resultant figure to the nearest US$0.01 (with US$0.005 being rounded upwards). Where the Specified Denomination of a Note in definitive form is greater than the Calculation Amount, the amount of interest payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach such Specified Denomination, without any further rounding.

5.2 Determination and Notification of Reset Interest Rate

The Fiscal Agent will at or as soon as practicable after the Relevant Time determine the Reset Interest Rate and cause it to be notified to the Issuer and any stock exchange on which the Notes are for the time being listed and notice thereof to be published in accordance with Condition 14 as soon as possible after such determination but in no event later than the fourth London Business Day thereafter. For the purposes of this paragraph, the expression **"London Business Day"** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

5.3 Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5 shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Fiscal Agent, the other Agents and all Noteholders and (in the absence of wilful default or bad faith) no liability to the Issuer or the Noteholders shall attach to the Fiscal Agent in connection with the exercise or non exercise by it of its powers, duties and discretions pursuant to such provisions.

5.4 Accrual of interest

Each Note will cease to bear interest from (and including) the date for its redemption unless, upon due presentation thereof, payment of principal in respect of such Note is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

(a) the date on which all amounts due in respect of such Note have been paid, and

(b) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Fiscal Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 14.

5.5 Interpretation

In these Conditions:

(a) **"5 Year Mid-Swap Rate"** means the annual mid-swap rate for US Dollar swap transactions with a maturity of five years (quoted on a semi-annual basis), expressed as a percentage, which appears on the Screen Page at the Relevant Time. If such rate does not appear on the Screen Page at the Relevant Time, the 5 Year Mid-Swap Rate will be the percentage *per annum* determined by the Fiscal Agent on the basis of the arithmetic mean of the bid and offered rates quoted by the Reference Banks at the Relevant Time for the semi-annual fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating US Dollar interest rate swap transaction with an acknowledged dealer of good credit in the swap market, which swap transaction has a term of five years commencing on the Issuer Call Date and is in a Representative Amount, where the floating leg, (calculated on an Actual/360 day count basis) is equivalent to the rate for deposits in US Dollars for a three month period offered at the Relevant Time by the principal London offices of leading swap dealers in the New York City interbank market to prime banks in the London interbank market. The Fiscal Agent will request each of the Reference Banks to provide such quotations. If three or more quotations are so provided, the 5 Year Mid-Swap Rate will be the percentage reflecting the arithmetic mean of those quotations, eliminating the highest such quotation (or, in the event of equality, one of the highest) and the lowest such quotation (or, in the event of equality, one of the lowest). If only two quotations are so provided, it will be the arithmetic mean of the quotations provided. If only one quotation is so provided, it will be such quotation. If no quotations are provided, the 5 Year Mid-Swap Rate will be 1.511 *per cent. per annum*,

(b) **"30/360"** means the number of days in the Interest Period or the Relevant Period, as the case may be, to (but excluding) the relevant payment date, divided by 360, calculated on the basis of a year of 360 days with 12 30-day months,

(c) "**Actual/360**" means the actual number of days in the Interest Period or the Relevant Period, as the case may be, to (but excluding) the relevant payment date, divided by 360, divided by 360,

(d) **"Business Day"** means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Istanbul, London and New York City,

(e) **"Interest Period"** means the period from (and including) an Interest Payment Date (or, as the case may be, the Issue Date) to (but excluding) the next (or, as the case may be, first) Interest Payment Date,

(f) **"Issuer Call Date"** means 3 February 2020,

(g) **"Maturity Date"** means 3 February 2025,

(h) **"Reference Banks"** means five leading swap dealers in the New York City interbank market as selected by the Fiscal Agent after consultation with the Issuer,

(i) **"Relevant Period**" means the period from (and including) the most recent Interest Payment Date (or, if none, the Issue Date) to (but excluding) the relevant date of payment,

(j) **"Relevant Time"** means at or around 11:00 a.m. (New York City time) on the Reset Determination Date,

(k) **"Representative Amount"** means an amount that is representative of a single transaction in the relevant market at the Relevant Time,

(l) **"Reset Determination Date"** means the third Business Day immediately preceding the Issuer Call Date,

(m) **"Reset Margin"** means 5.439 *per cent. per annum*, and

(n) **"Screen Page"** means the display page on the relevant Reuters information service designated as the "ISDAFIX1" page or such other page as may replace it on that information service, or on such other equivalent information service as may be nominated by the person providing or sponsoring such information, in each case for the purpose of displaying equivalent or comparable rates to the 5-year Mid-Swap Rate.

6. LOSS ABSORPTION UPON THE OCCURRENCE OF A NON-VIABILITY EVENT

6.1 Write-Down of the Notes

If a Non-Viability Event occurs at any time, the Issuer shall *pro rata* with the other Notes and any other Parity Loss-Absorbing Instruments reduce the then outstanding principal amount of each Note by the relevant Write-Down Amount (any such reduction, a **"Write-Down"**, **"Written-Down"** and "**Writing Down**" shall be construed accordingly); *provided* that such Write-Down shall only take place in conjunction with: (a) the maximum possible reduction in the principal amount and/or corresponding conversion into equity being made in respect of any Junior Loss-Absorbing Instruments as provided in the terms of such Junior Loss-Absorbing Instruments and (b) the absorption to the maximum extent possible under any Statutory Loss-Absorption Measure of the relevant loss(es) giving rise to the Non-Viability Event by any other Junior Obligations. For these purposes, any determination of a Write-Down Amount shall take into account the absorption of the relevant loss(es) to the maximum extent possible by all Junior Obligations and the Writing Down of the Notes *pro rata* with any other Parity Loss-Absorbing Instruments, thereby maintaining the respective rankings described under Condition 3.1 above.

As of the date of this Prospectus, a number of corrective, rehabilitative and restrictive measures may be taken by the BRSA under Articles 68 to 70 of the Banking Law (No. 5411) prior to any determination of Non-Viability of the Issuer. In conjunction with any such determination, the relevant loss(es) of the Issuer may be absorbed by shareholders of the Issuer pursuant to Article 71 of the Banking Law (No. 5411) upon: (a) the transfer of shareholders' rights and the management and supervision of the Issuer to the SDIF or (b) the revocation of the Issuer's operating licence and its liquidation. However, the Write-Down of the Notes under the BRSA Regulation may take place before any such transfer or liquidation.

As a result of the proviso in the first paragraph of this Condition 6.1, while the Notes may be Written-Down before any transfer or liquidation as described in the preceding paragraph, the Write-Down

must take place in conjunction with such transfer or liquidation in order that the respective rankings described in Condition 3.1 are maintained and the relevant loss(es) are absorbed by Junior Obligations to the maximum extent possible. Where a Write-Down of the Notes does take place before the liquidation of the Issuer, Noteholders would only be able to claim and prove in such liquidation in respect of the outstanding principal amount of the Notes following the Write-Down.

The Issuer shall notify the Noteholders of any Non-Viability Event in accordance with Condition 14 as soon as practicable upon receiving notice thereof from the BRSA; *provided that* prior to the publication of such notice the Issuer shall deliver to the Fiscal Agent the statement(s) in writing received from (or published by) the BRSA of its determination of such Non-Viability Event. The Issuer shall further notify the Noteholders in accordance with Condition 14 and deliver to the Fiscal Agent the statement(s) in writing received from (or published by) the BRSA specifying the Write-Down Amount as soon as practicable upon receiving notice thereof from the BRSA.

A Non-Viability Event may occur on more than one occasion and the Notes may be Written-Down on more than one occasion, with each such Write-Down to involve the reduction of the then outstanding principal amount of the Notes by the relevant Write-Down Amount.

Noteholders will have no further claim against the Issuer in respect of any Written-Down Amount of the Notes and if, at any time, the Notes are Written-Down in full, the Notes shall be cancelled following payment of interest accrued and unpaid to (but excluding) the date of such final Write-Down and Noteholders will have no further claim against the Issuer in respect of any such Notes.

6.2 Interpretation

For the purposes of this Condition 6:

(a) **"Junior Loss-Absorbing Instruments"** means any Loss Absorbing Instrument that is or represents a Junior Obligation,

(b) **"Loss-Absorbing Instrument"** means any security or other instrument or payment obligation that has provision for all or some of its principal amount to be reduced and/or converted into equity (in accordance with its terms or otherwise) on the occurrence or as a result of a Non-Viability Event (which shall not include ordinary shares or any other instrument that does not have such provision in its terms or otherwise but which is subject to any Statutory Loss Absorption Measure),

(c) **"Non-Viable"** means, in the case of the Issuer, where the Issuer is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law (No. 5411) that: (i) its operating licence is to be revoked and the Issuer liquidated or (ii) the rights of its shareholders, and the management and supervision of the Issuer, are to be transferred to the SDIF,

(d) **"Non-Viability Event"** means the determination by the BRSA that, upon the incurrence of a loss by the Issuer (on a consolidated or non-consolidated basis), the Issuer has become, or it is probable that the Issuer will become, Non-Viable,

(e) **"Parity Loss-Absorbing Instruments"** means any Loss-Absorbing Instrument that is or represents a Parity Obligation,

(f) **"SDIF"** means the Savings Deposit Insurance Fund (*Tasarruf Mevduatı Sigorta Fonu*) of Turkey,

(g) **"Statutory Loss Absorption Measure"** means the transfer of shareholders' rights and the management and supervision of the Issuer to the SDIF pursuant to Article 71 of the Banking Law (No. 5411) or any analogous procedure or other measure under the laws of Turkey by which the relevant loss(es) of the Issuer giving rise to the Non-Viability Event may be absorbed by Junior Obligations, and

(h) **"Write-Down Amount"**, in respect of a Note, means the amount by which the outstanding principal amount of such Note as of the date of the relevant Write-Down is to be Written-

Down, which shall be determined as described in Condition 6.1 and may be all or part only of such principal amount, in each case as specified in writing (including by way of publication) by the BRSA, and "**Written-Down Amount**" shall be construed accordingly.

While a Write-Down of the Notes may take place before the absorption of the relevant loss(es) giving rise to the Non-Viability Event to the maximum extent possible by Junior Obligations, such loss absorption might be taken into account by the BRSA, where relevant, in the determination of the Write-Down Amount in order for the respective rankings described in Condition 3.1 to be maintained on any Write-Down as provided in Condition 6.1.

7. PAYMENTS

7.1 Method of payment

Subject as provided below, payments will be made by credit or transfer to an account in US Dollars (or any account to which US Dollars may be credited or transferred) maintained by the payee, or, at the option of the payee, by a cheque in US Dollars drawn on a bank in any country in which US Dollars constitute legal tender from time to time.

Payments in respect of principal and interest on the Notes are subject in all cases to: (a) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 9, and (b) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **"Code"**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code and any regulations or agreements thereunder or official interpretations thereof (**"FATCA"**) or any law implementing an intergovernmental approach to FATCA.

7.2 Payments in respect of Notes

Notwithstanding anything else herein to the contrary, payments of principal in respect of each Note (whether or not in global form) will be made against surrender of the Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account of the holder (or the first named of joint holders) of the Note appearing in the register of holders of the Notes maintained by the Registrar to be kept at the specified office of the Registrar outside of the United Kingdom (the **"Register"**) at the close of business at the specified office of the Registrar on the 15th day before the relevant due date (or, if such 15th day is not a day on which banks are open for business in the city where the specified office of the Registrar is located, then the first such day prior to such 15th day) (for each Series of Notes, its **"Record Date"**). Notwithstanding the previous sentence, if: (a) a holder does not have a Designated Account or (b) the principal amount of the Notes held by a holder is less than US$250,000, payment may instead be made by a cheque in US Dollars drawn on a Designated Bank. For these purposes, **"Designated Account"** means the account maintained by a holder with a Designated Bank and identified as such in the Register and **"Designated Bank"** means any bank that processes payments in US Dollars.

Except as set forth in the final sentence of this paragraph, payments of interest in respect of a Note (whether or not in global form) will be made by a cheque in US Dollars drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of such Note appearing in the Register at the close of business on the relevant Record Date at the address of such holder shown in the Register on the relevant Record Date and at such holder's risk. Upon application of such holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Note, payments on such Note will be made by transfer on the due date by transfer to the Designated Account of the holder (or the first named of joint holders) of the Note appearing in the Register at the close of business on the relevant Record Date. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) with respect to such Note that become payable to the holder thereof who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Note on redemption will be made in the same manner as payment of the principal amount of such Note.

Holders of Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Note as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by any Agent in respect of any payments of principal or interest in respect of the Notes.

None of the Issuer or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

7.3 General provisions applicable to payments

The holder of a Global Note shall be the only person entitled to receive payments in respect of the Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or DTC, as the case may be, as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear, Clearstream, Luxembourg or DTC, as the case may be, for such person's share of each payment so made by or on behalf of the Issuer to, or to the order of, the holder of such Global Note. No person other than the holder of the relevant Global Note shall have any claim against the Issuer in respect of any payments due on that Global Note.

7.4 Payment Business Day

If the date for payment of any amount in respect of any Note is not a Payment Business Day, then the holder thereof shall not be entitled to payment until the next Payment Business Day and, in any such case, shall not be entitled to further interest or other payment in respect of such delay.

For these purposes, **"Payment Business Day"** means any day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

(a) in the case of Notes in definitive form only, the relevant place of presentation, and

(b) Istanbul, London and New York City.

7.5 Interpretation of principal and interest

Any reference in these Conditions to principal or interest in respect of a Note shall be deemed to include any additional amounts that may be payable with respect to such principal or interest under Condition 9.

8. REDEMPTION AND PURCHASE

8.1 Redemption at maturity

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its then outstanding principal amount on the Maturity Date.

8.2 Redemption for tax reasons

If:

(a) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined in Condition 9.2), or any change in the application or official interpretation of the laws or regulations of a Relevant Jurisdiction, which change or amendment becomes effective after 29 January 2015, on the next Interest Payment Date, the Issuer would be required to:

(i) pay additional amounts as provided or referred to in Condition 9, and

(ii) make any withholding or deduction for, or on account of, any Taxes imposed or levied by or on behalf of the Relevant Jurisdiction at a rate in excess of the applicable prevailing rates on 29 January 2015, and

(b) such requirement cannot be avoided by the Issuer taking reasonable measures available to it,

then the Issuer may at its option, having given not less than 30 and not more than 60 days' notice to the Noteholders in accordance with Condition 14 (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all, but not some only, of the Notes, subject to having obtained the prior approval of the BRSA, at any time at their then outstanding principal amount together with interest accrued and unpaid to (but excluding) the date of redemption. Prior to the publication of any notice of redemption pursuant to this Condition 8.2, the Issuer shall deliver to the Fiscal Agent: (i) a certificate signed by two Directors of the Issuer stating that the requirement referred to in sub-paragraph (a) above will apply on the next Interest Payment Date and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, (ii) the BRSA's written approval for such redemption of the Notes and (iii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

8.3 Redemption at the option of the Issuer (Issuer Call)

The Issuer may, having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 14 (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all but not some only of the Notes then outstanding, subject to having obtained the prior approval of the BRSA, on the Issuer Call Date at their then outstanding principal amount together with interest accrued and unpaid to (but excluding) the Issuer Call Date.

8.4 Redemption upon a Capital Disqualification Event

If a Capital Disqualification Event occurs at any time after the Issue Date, the Issuer may, having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 14 (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all but not some only of the Notes then outstanding at any time at their then outstanding principal amount together with interest accrued and unpaid to (but excluding) the date of redemption. Prior to the publication of any notice of redemption pursuant to this Condition 8.4, the Issuer shall deliver to the Fiscal Agent: (a) the required confirmation in writing by the BRSA, if applicable, of the occurrence of the relevant Capital Disqualification Event and (b) a certificate signed by two Directors of the Issuer stating that such Capital Disqualification Event has occurred.

For the purposes of this Condition 8.4:

(a) **"Capital Disqualification Event"** means if, as a result of any change in applicable law (including the BRSA Regulation), or the application or official interpretation thereof, which change in application or official interpretation is confirmed in writing by the BRSA, all or any part of the outstanding principal amount of the Notes is not eligible for inclusion as Tier II capital of the Issuer (save where such exclusion is only as a result of any applicable limitation on the amount of such capital), and

(b) **"Tier II capital"** means tier II capital as provided under Article 8 of the BRSA Regulation.

8.5 Purchases by the Issuer or Subsidiaries

Except to the extent permitted by applicable law, the Notes shall not be purchased by, or otherwise assigned and/or transferred to, or for the benefit of, the Issuer or any of its Subsidiaries (as defined in Condition 4.5) or other affiliates (as contemplated in the Banking Law (No. 5411) and the BRSA Regulation).

8.6 Cancellation

All Notes that are redeemed or purchased pursuant to this Condition 8 will be cancelled and cannot be reissued or resold.

8.7 No other optional redemption

Neither the Issuer nor any of its Subsidiaries may redeem or purchase the Notes, as applicable, before the Maturity Date other than as provided in this Condition 8.

9. TAXATION

9.1 Payment without Withholding

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (**"Taxes"**) imposed or levied by or on behalf of any Relevant Jurisdiction unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the holders of the Notes after the withholding or deduction shall equal the respective amounts that would have been receivable in respect of the Notes in the absence of the withholding or deduction; except that no additional amounts shall be payable in relation to any payment in respect of any Note:

(a) presented for payment by or on behalf of a holder who is liable for Taxes in respect of the Note by reason of such holder having some connection with any Relevant Jurisdiction other than the mere holding of the Note,

(b) presented for payment in Turkey,

(c) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive,

(d) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a member state of the European Union, or

(e) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that a holder of the relevant Note would have been entitled to additional amounts on presenting the same for payment on the last day of the period of 30 days assuming that day to have been a Payment Business Day (as defined in Condition 7.6).

Notwithstanding any other provision of these Conditions, in no event will the Issuer be required to pay any additional amounts in respect of the Notes for, or on account of, any withholding or deduction required pursuant to FATCA (including pursuant to any agreement described in Section 1471(b) of the Code) or any law implementing an intergovernmental approach to FATCA.

9.2 Interpretation

In these Conditions:

(a) **"Relevant Date"** means, with respect to any payment, the date on which such payment first becomes due but, if the full amount of the money payable has not been received by the Fiscal Agent on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the holder of the relevant Note by the Issuer in accordance with Condition 14, and

(b) **"Relevant Jurisdiction"** means Turkey or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any

authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes.

10. PRESCRIPTION

The Notes will become void unless claims in respect of principal and/or interest with respect thereto are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date therefor.

11. EVENTS OF DEFAULT

If:

(a) default is made by the Issuer in the payment of any principal or interest due in respect of the Notes or any of them and the default continues for a period of seven days in the case of principal or 14 days in the case of interest; or

(b) a Subordination Event occurs; or

(c) any order is made by any competent court or the Government of Turkey, as the case may be, or resolution is passed for the winding up, dissolution or liquidation of the Issuer,

the holder of any Note may:

(i) in the case of (a) above, institute proceedings for the Issuer to be declared bankrupt or insolvent or for there otherwise to be a Subordination Event, or for the Issuer's winding up, dissolution or liquidation, and prove in the winding-up, dissolution or liquidation of the Issuer; and/or

(ii) in the case of (b) or (c) above, claim or prove in the winding-up, dissolution or liquidation of the Issuer,

but (in either case) may take no further or other action to enforce, claim or prove for any payment by the Issuer in respect of the Notes and may only claim such payment in the winding-up, dissolution or liquidation of the Issuer.

In any of the events or circumstances described in (b) or (c) above, the holder of any Note may give notice to the Issuer that the Note is, and it shall accordingly forthwith become, immediately due and repayable at its then outstanding principal amount, together with interest accrued and unpaid to (but excluding) the date of repayment, subject to the subordination provisions described under Condition 3.1 above.

The holder of any Note may at its discretion institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition, undertaking or provision binding on the Issuer under the Notes (other than, without prejudice to the provisions above, any obligation for the payment of any principal or interest in respect of the Notes), provided that the Issuer shall not by virtue of the institution of any such proceedings be obliged to pay any amount or amounts sooner than the same would otherwise have been payable by it, except with the prior approval of the BRSA.

No remedy against the Issuer other than as provided above shall be available to the holders of Notes, whether for the recovery of amounts owing in respect of the Notes or in respect of any breach by the Issuer of any of its obligations, covenants or undertakings under the Notes.

12. REPLACEMENT OF NOTES

Should any Note be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Registrar upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to: (a) evidence of such loss, theft, mutilation, defacement or destruction and (b) indemnity as the Issuer may reasonably require. Mutilated or defaced Notes must be surrendered before replacements will be issued.

13. AGENTS

The names of the initial Agents and their initial specified offices are set out in the Agency Agreement.

The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint additional or other Agents; *provided* that:

(a) there will at all times be a Fiscal Agent and a Registrar,

(b) there will at all times be a Transfer Agent (which may be the Registrar),

(c) there will at all times be a Paying Agent that is not located in a member state of the European Union (if any) that will oblige that Paying Agent to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive,

(d) there will at all times be a Paying Agent in a jurisdiction other than the jurisdiction in which the Issuer is incorporated, and

(e) so long as the Notes are listed on a stock exchange, there will at all times be an Agent (which may be the Fiscal Agent) having a specified office in such place as may be required by the rules and regulations of such exchange or any other relevant authority.

Notice of any termination or appointment and of any changes to the specified office of an Agent will be given to the Noteholders promptly by the Issuer in accordance with Condition 14.

Any such variation, termination, appointment or change shall only take effect (other than in the case of insolvency or a Paying Agent ceasing to be a Participating FFI or as otherwise prescribed by the Agency Agreement, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 14.

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholder. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted, with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

For the purposes of this Condition, **"Participating FFI"** means a "foreign financial institution" as defined under the Code that is a "participating foreign financial institution" as from the effective date of withholding on "passthru payments" (as such term is defined pursuant to Sections 1471 through 1474 of the Code and any regulations thereunder or official interpretations thereof).

14. NOTICES

All notices regarding the Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) of such Notes at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

So long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear, Clearstream, Luxembourg and/or DTC, there may be substituted for such publication in such newspaper(s) or such mailing the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg and/or DTC, as applicable, for communication by them to the holders of interests in the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of interests

in the Notes on the day after the day on which such notice was given to Euroclear, Clearstream, Luxembourg and/or DTC, as applicable.

15. MEETING OF NOTEHOLDERS AND MODIFICATIONS

15.1 Meeting of Noteholders

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning of any modification by Extraordinary Resolution of any of these Conditions or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer and shall be convened by the Issuer if required in writing by Noteholders holding not less than five *per cent.* in nominal amount of the Notes for the time being outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more person(s) holding or representing not less than 50 *per cent.* in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more person(s) being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain of these Conditions (including modifying the Maturity Date or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes, altering the currency of payment of the Notes or amending the Deed of Covenant in certain respects), the quorum shall be one or more person(s) holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more person(s) holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding upon all the Noteholders, whether or not they are present at the meeting.

15.2 Modification

The Fiscal Agent and the Issuer may agree, without the consent of the Noteholders, to any modification (except such modifications in respect of which an increased quorum is required as mentioned in Condition 15.1) of any of these Conditions, the Deed of Covenant or the Agency Agreement that is either: (a) in the opinion of the Issuer, for the purpose of curing any ambiguity or of curing, correcting or supplementing any manifest or proven error or any other defective provision contained herein or therein, or (b) in the opinion of the Issuer (following the advice of an independent financial institution of international standing), in any other manner that is not materially prejudicial to the interests of the Noteholders. Any such modification shall be binding on the Noteholders and any modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 14.

16. FURTHER ISSUES

The Issuer may from time to time without the consent of the Noteholders create and issue further notes, having terms and conditions the same as those of the Notes, or the same except for the amount of the first payment of interest and the date from which interest starts to accrue, which may be consolidated and form a single series with the outstanding Notes; *provided* that the Issuer shall ensure that such further notes will be fungible for US federal income tax purposes as a result of their issuance being a "qualified reopening" under Treasury Regulation §1.1275-2(k).

17. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of this Note, the Agency Agreement and the Deed of Covenant under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person that exists or is available apart from that Act.

18. GOVERNING LAW AND SUBMISSION TO JURISDICTION

18.1 Governing law

The Agency Agreement, the Deed of Covenant, the Deed Poll and the Notes are, and any non-contractual obligations arising out of, or in connection with, any of them will be, governed by and

construed in accordance with English law, except for the provisions of Condition 3 (including as referred to in Condition 6.1), which will be governed by, and construed in accordance with, Turkish law.

18.2 Jurisdiction of courts of England

The Issuer irrevocably agrees, for the benefit of the Noteholders, that the courts of England are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Notes (and any non-contractual obligations arising out of or in connection with the Notes) and accordingly submits to the exclusive jurisdiction of the courts of England. The Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum.

To the extent permitted by law, the Noteholders may take any suit, action or proceedings (together referred to as **"Proceedings"**) arising out of or in connection with the Notes (including any Proceeding relating to any non-contractual obligations arising out of or in connection with the Notes) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

18.3 Consent to Enforcement

The Issuer agrees, without prejudice to the enforcement of a judgment obtained in the courts of England according to the provisions of Article 54 of the International Private and Procedural Law of Turkey (No. 5718), that in the event that any action is brought in relation to the Issuer in a court in Turkey in connection with the Notes, any judgment obtained in the courts of England in connection with such action shall constitute (in addition to other legal evidence) conclusive evidence of the existence and amount of the claim against the Issuer, pursuant to the provisions of the first paragraph of Article 193 of the Civil Procedure Code of Turkey (No. 6100) and Article 59 of the International Private and Procedural Law of Turkey (No. 5718).

18.4 Waiver of Immunity

To the extent that the Issuer may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Issuer or its assets or revenues, the Issuer agrees not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

18.5 Appointment of Process Agent

In connection with the issuance of the Notes, service of process may be made upon the Issuer at Law Debenture Corporate Services Limited (with an address on the Issue Date of Fifth Floor, 100 Wood Street, London EC2V 7EX, England) in respect of any Proceedings in England and the Issuer undertakes that in the event of such process agent ceasing so to act it will appoint another person as its agent for that purpose.

18.6 Other documents

The Issuer has in the Agency Agreement, the Deed of Covenant and the Deed Poll submitted to the jurisdiction of the courts of England and appointed an agent in England for service of process in terms substantially similar to those set out above.

PLAN OF DISTRIBUTION

The Bank intends to offer the Notes through the Initial Purchasers named below and their respective broker-dealer affiliates, as applicable. Subject to the terms and conditions stated in a subscription agreement in respect of the Notes expected to be entered into on January 29, 2015 among the Initial Purchasers and the Bank (the "*Subscription Agreement*"), each of the Initial Purchasers has severally (and not jointly nor jointly and severally) agreed to purchase, and the Bank has agreed to sell to each of the Initial Purchasers, the principal amount of the Notes set forth opposite each Initial Purchaser's name below at the issue price of 99.687% of the principal amount of the Notes.

Initial Purchasers	*Principal Amount of Notes*
Citigroup Global Markets Limited	US$ 83,333,000
Deutsche Bank AG, London Branch	US$ 83,333,000
Goldman Sachs International	US$ 83,333,000
HSBC Bank plc	US$ 83,333,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	US$ 83,334,000
Standard Chartered Bank	US$ 83,334,000
Total	**US$500,000,000**

The Subscription Agreement provides that the obligations of the Initial Purchasers to purchase the Notes are subject to approval of legal matters by counsel and to other conditions. The offering of the Notes by the Initial Purchasers is subject to receipt and acceptance, and subject to the Initial Purchasers' right to reject, any order in whole or in part.

The Bank has been informed that the Initial Purchasers propose to resell beneficial interests in the Notes at the issue price set forth on the cover page of this Prospectus to persons reasonably believed to be QIBs in reliance upon Rule 144A and to non-U.S. persons in offshore transactions in reliance upon Regulation S; see "Transfer and Selling Restrictions" in the Base Prospectus. The prices at which beneficial interests in the Notes are offered may be changed at any time without notice.

Offers and sales of the Notes in the United States will be made by those Initial Purchasers or their respective affiliates that are registered broker-dealers under the U.S. Securities Exchange Act of 1934, as amended (the "*Exchange Act*"), or in accordance with Rule 15a-6 thereunder.

The Notes have not been registered under the Securities Act or any U.S. State securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except in transactions exempt from, or not subject to, the registration requirements of the Securities Act; see "Transfer and Selling Restrictions" in the Base Prospectus. Accordingly, until 40 days after the Issue Date (the "*Distribution Compliance Period*"), an offer or sale of Notes (or beneficial interests therein) within the United States or to, or for the account or benefit of, any U.S. person by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act if that offer or sale is made otherwise than in accordance with Rule 144A.

Each Initial Purchaser has agreed that it will send to each dealer to which it sells the Regulation S Global Note (or beneficial interests therein) during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes (or beneficial interests therein) within the United States or to, or for the account or benefit of, U.S. persons substantially to the following effect:

> "The Notes covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the "*Securities Act*") and may not be offered and sold within the United States or to, or for the account or benefit of, U.S. persons: (a) as part of their distribution at any time or (b) otherwise until 40 days after the later of the commencement of the offering and the Issue Date, except, in either case, in accordance with Rule 144A under the Securities Act or in an offshore transaction. Terms used above have the meanings given to them by Regulation S."

While application has been made by the Bank to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on the Main Securities Market, the Notes constitute a new class of securities of the Bank with a limited trading market. The Bank cannot provide any assurances to investors that the prices at which the Notes (or beneficial interests therein) will sell in the market will not be lower than the initial offering price or that an active trading market for the Notes will develop. The Initial Purchasers have advised the Bank

that they currently intend to make a market in the Notes; *however*, they are not obligated to do so, and they may discontinue any market-making activities with respect to the Notes at any time without notice. No assurance can be given that the application to the Irish Stock Exchange to admit the Notes to listing on the Official List and trading on the Main Securities Market will be accepted.

In connection with the offering, one or more Initial Purchaser(s) may purchase and sell Notes (or beneficial interests therein) in the secondary market. These transactions may include over-allotment, syndicate covering transactions and stabilizing transactions. Over-allotment involves the sale of Notes (or beneficial interests therein) in excess of the principal amount of Notes to be purchased by the Initial Purchasers in their initial offering, which creates a short position for the Initial Purchasers. Covering transactions involve the purchase of the Notes (or beneficial interests therein) in the open market after the distribution has been completed in order to cover short positions. Stabilizing transactions consist of certain bids or purchases of Notes (or beneficial interests therein) made for the purpose of preventing or retarding a decline in the market price of the Notes (or beneficial interests therein) while the offering is in progress. Any of these activities may have the effect of preventing or retarding a decline in the market price of the Notes (or beneficial interests therein). They may also cause the price of the Notes (or beneficial interests therein) to be higher than the price that otherwise would exist in the open market in the absence of these transactions. The Initial Purchasers may conduct these transactions in the over-the-counter market or otherwise. If the Initial Purchasers commence any of these transactions, then they may discontinue them at any time.

The Bank expects that delivery of interests in the Notes will be made against payment therefor on the Issue Date. Under Rule 15c6-l of the Exchange Act, trades in the secondary market through a broker or dealer in the United States generally are required to settle in three New York City business days, unless the parties to any such trade expressly agree otherwise. Accordingly, investors who wish to trade interests in the Notes through a broker or dealer in the United States on the date of this Prospectus or the next New York City business days will be required, by virtue of the fact that the Notes initially will settle in T+5, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Investors in the Notes who wish to trade interests in the Notes through a broker or dealer in the United States on the date of this Prospectus or the next New York City business days should consult their own adviser.

The Initial Purchasers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Initial Purchasers or their respective affiliates may have performed investment banking and advisory services for the Bank and its affiliates from time to time for which they may have received fees, expenses, reimbursements and/or other compensation. The Initial Purchasers or their respective affiliates may, from time to time, engage in transactions with and perform advisory and other services for the Bank and its affiliates in the ordinary course of their business. Certain of the Initial Purchasers and/or their respective affiliates have acted and expect in the future to act as a lender to the Bank and/or other members of the Group and/or otherwise participate in transactions with the Group.

EACH OF THE INITIAL PURCHASERS HAS REPRESENTED TO AND AGREED WITH THE ISSUER IN THE SUBSCRIPTION AGREEMENT THAT (EXCEPT TO THE EXTENT THAT ALL OF THE INITIAL PURCHASERS HAVE AGREED OTHERWISE WITH THE ISSUER) IT WILL NOT SELL, EITHER ITSELF OR TOGETHER WITH THE OTHER INITIAL PURCHASERS, 10% OR MORE OF THE AGGREGATE PRINCIPAL AMOUNT OF THE NOTES AS PART OF THEIR INITIAL DISTRIBUTION AT ANY TIME TO ANY ONE PERSON (INCLUDING SUCH PERSON'S SUBSIDIARIES AND OTHER AFFILIATES) (TOGETHER AN "*INVESTOR GROUP*") (EXCEPT WHERE NOTES (OR BENEFICIAL INTERESTS THEREIN) ARE BEING PURCHASED ON BEHALF OF ANY OTHER PERSON(S) AND NO INDIVIDUAL PERSON OR INVESTOR GROUP WILL HAVE A BENEFICIAL INTEREST IN MORE THAN 10% OF THE AGGREGATE PRINCIPAL AMOUNT OF THE NOTES AS A RESULT OF SUCH PURCHASE).

All or certain of the Initial Purchasers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Initial Purchasers or their respective affiliates may have performed investment banking and advisory services for the Bank and its affiliates from time to time for which they may have received fees, expenses, reimbursements and/or other compensation. The Initial Purchasers or their respective affiliates may, from time to time, engage in transactions with and perform advisory and other services for the Bank and its

affiliates in the ordinary course of their business. Certain of the Initial Purchasers and/or their respective affiliates have acted and expect in the future to act as a lender to the Bank and/or other members of the Group and/or otherwise participate in transactions with the Group.

In the ordinary course of their various business activities, the Initial Purchasers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities might involve securities and instruments of the Bank and/or other members of the Group. In addition, certain of the Initial Purchasers and/or their respective affiliates hedge their credit exposure to the Bank and/or other members of the Group pursuant to their customary risk management policies. These hedging activities could have an adverse effect on the future trading prices of the Notes.

The Initial Purchasers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities or instruments.

The Bank will agree in the Subscription Agreement, in connection with the issue and offering of the Notes, to indemnify each Initial Purchaser against certain liabilities, or to contribute to payments that the Initial Purchasers may be required to make because of those liabilities.

LEGAL MATTERS

Certain matters relating to the issuance of the Notes will be passed upon for the Bank by Mayer Brown LLP (or affiliates thereof) as to matters of English and United States law and by YazıcıLegal as to matters of Turkish law (other than with respect to tax-related matters). Certain matters of English and United States law will be passed upon for the Initial Purchasers by Allen & Overy LLP, and certain matters of Turkish law will be passed upon for the Initial Purchasers by Paksoy Ortak Avukat Bürosu (which will also pass upon matters of Turkish tax law).

OTHER GENERAL INFORMATION

Authorization

The most recent update of the Program by the Bank has been duly authorized pursuant to the authority of the officers of the Bank under the resolutions of its Board of Directors dated February 18, 2014. The issuance of the Notes has been duly authorized pursuant to the authority of the officers of the Bank under the resolutions of its Board of Directors dated July 25, 2014 and January 7, 2015.

Listing

Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on the Main Securities Market; *however*, no assurance can be given that such application will be accepted. It is expected that admission of the Notes to listing on the Official List and to trading on the Main Securities Market will be granted on or before the Issue Date, subject only to the issue of the Notes. The Main Securities Market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC). The expenses in connection with the admission of the Notes to the Official List and to trading on the Main Securities Market are expected to amount to approximately €2,440.

Listing Agent

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Bank in connection with the Notes and is not itself seeking admission of the Notes to the Official List or to trading on the Main Securities Market for the purposes of the Prospectus Directive.

Clearing Systems

The Rule 144A Global Note(s) has/have been accepted into DTC's book-entry settlement system and the Regulation S Global Note has been accepted for clearance through Euroclear and Clearstream, Luxembourg (CUSIP: 90015WAC7, ISIN: US90015WAC73 and Common Code: 117243141 with respect to the Rule 144A Global Note(s) and ISIN: XS1175854923 and Common Code: 117585492 with respect to the Regulation S Global Note).

Through DTC's accounting and payment procedures, DTC will, in accordance with its customary procedures, credit interest payments received by DTC on any Interest Payment Date based upon DTC participant holdings of the Notes on the close of business on the New York Business Day immediately preceding each such Interest Payment Date. A "*New York Business Day*" is a day other than a Saturday, a Sunday or any other day on which banking institutions in New York, New York are authorized or required by law or executive order to close.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels. The address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of DTC is 55 Water Street, New York, New York 10041, United States of America.

Significant or Material Change

There has been: (a) no significant change in the financial or trading position of either the Bank or the Group since September 30, 2014 and (b) no material adverse change in the financial position or prospects of either the Group or the Bank since December 31, 2013.

Interests of Natural and Legal Persons Involved in the Issue

Except with respect to the fees to be paid to the Initial Purchasers, so far as the Bank is aware, no natural or legal person involved in the issuer of the Notes has an interest, including a conflicting interest, material to the issue of the Notes.

Independent Auditors

The: (a) IFRS Financial Statements of the Group as of and for the years ended December 31, 2011, 2012 and 2013 incorporated by reference into this Prospectus have been audited in accordance with International Standards on Auditing and (b) BRSA Financial Statements of the Group as of and for the years ended December 31, 2011, 2012 and 2013 incorporated by reference into this Prospectus have been audited in accordance with "Communique Related to the Operations and Authorization of the Firms Performing Audit in the Banks" by KPMG, which is located at Rüzgarli Bahçe Mahallesi Kavak Sokak No:29 34805, Beykoz-İstanbul. KPMG, independent auditors in Turkey, is an audit firm authorized by the BRSA to conduct independent audits of banks in Turkey.

The BRSA Financial Statements of the Group and the Bank as of and for the nine month periods ended September 30, 2013 and 2014 incorporated by reference herein have been reviewed by Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member of PriceWaterhouseCoopers) ("*PwC*") in accordance with the Regulation on Authorisation and Activities of Institutions to Perform External Audit in Banks and International Standards on Auditing. The IFRS Financial Statements of the Group as of and for the six month periods ended June 30, 2013 and 2014 incorporated by reference herein have been reviewed by PwC in accordance with International Standards of Auditing. PwC's review reports included within such BRSA Financial Statements and IFRS Financial Statements note that they applied limited procedures in accordance with professional standards for a review of such information and such reports state that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their reports on such information should be restricted in light of the limited nature of the review procedures applied. The financial information in such interim BRSA Financial Statements and IFRS Financial Statements is subject to any adjustments that may be necessary as a result of the audit process to be undertaken in respect of the full financial year.

Litigation

Except as described in "Business of the Group – Legal Proceedings" in the Base Prospectus, there are no governmental, legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the Bank is aware) that may have, or have had, during the 12 months prior to the date of this Prospectus, a significant effect on the Bank's or the Group's financial position or profitability.

Documents

For as long as any of the Notes are outstanding, copies of the following documents will (as applicable, when published) be available in physical form for inspection at the at the Bank's headquarters at Sanayi Mahallesi, Eski Büyükdere Caddesi, Güler Sokak, No: 51, Kağıthane, İstanbul, 34416, Turkey:

(a) the articles of association (with a certified English translation thereof) of the Bank,

(b) the independent auditors' audit reports and audited consolidated IFRS Financial Statements of the Group for each of the years ended December 31, 2011, 2012 and 2013,

(c) the independent auditors' review report and unaudited interim consolidated IFRS Financial Statements of the Group for each of the six month periods ended June 30, 2013 and 2014,

(d) the independent auditors' audit reports and audited consolidated BRSA Financial Statements of the Group for each of the years ended December 31, 2011, 2012 and 2013,

(e) the independent auditors' audit reports and audited unconsolidated BRSA Financial Statements of the Group for each of the years ended December 31, 2011, 2012 and 2013,

(f) the independent auditors' review report and unaudited interim consolidated BRSA Financial Statements of the Group for each of the nine month periods ended September 30, 2013 and 2014,

(g) the independent auditors' review report and unaudited interim unconsolidated BRSA Financial Statements of the Bank for each of the nine month periods ended September 30, 2013 and 2014,

(h) the most recently published audited annual financial statements of the Bank and the most recently published unaudited interim financial statements of the Bank, in each case in English and together with any audit or review reports prepared in connection therewith; the Bank currently prepares audited consolidated financial statements in accordance with IFRS on an annual basis, audited consolidated and unconsolidated financial statements in accordance with Turkish GAAP on an annual basis, unaudited consolidated interim financial statements in accordance with IFRS on a semi-annual basis and unaudited consolidated and unconsolidated interim financial statements in accordance with Turkish GAAP on a quarterly basis,

(i) the Agency Agreement, the Deed of Covenant and the Deed Poll and the forms of the Global Notes and the Notes in definitive form, and

(j) a copy of the Base Prospectus (including the supplements to the Original Base Prospectus).

In addition, copies of this Prospectus and the documents (or portions thereof) incorporated by reference herein will also be available in electronic format on the Bank's website. See "Documents Incorporated by Reference" above. Such website does not, and should not be deemed to, constitute a part of, or be incorporated into, this Prospectus.

PRINCIPAL OFFICE OF THE BANK

Türkiye Vakıflar Bankası T.A.O.
Sanayi Mah. Eski Büyükdere Caddesi Güler Sokak No:51
Kağıthane, İstanbul, 34416
Turkey

INITIAL PURCHASERS

Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

Goldman Sachs International
Peterborough Court
133 Fleet Street
London EC4A 2BB
United Kingdom

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom

Merrill Lynch, Pierce, Fenner & Smith Incorporated
One Bryant Park
New York, New York 10036
USA

Standard Chartered Bank
One Basinghall Avenue
London EC2V 5DD
United Kingdom

FISCAL AGENT AND PRINCIPAL PAYING AGENT

The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

REGISTRAR, TRANSFER AGENT AND PAYING AGENT

The Bank of New York Mellon (Luxembourg) S.A.
Vertigo Building – Polaris
2-4 rue Eugene Ruppert
2453 Luxembourg

UNITED STATES PAYING AGENT, EXCHANGE AGENT AND TRANSFER AGENT

The Bank of New York Mellon, New York Branch
101 Barclay Street
New York, New York
USA

LEGAL ADVISERS

To the Issuer as to English and United States law

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201 Bishopsgate
London EC2M 3AF
United Kingdom

Mayer Brown LLP
71 South Wacker Drive
Chicago, Illinois 60606
USA

To the Issuer as to Turkish law

YazıcıLegal
Levent Mah. Yasemin Sok. No.13
1. Levent Beşiktaş, 34340 İstanbul
Turkey

To the Initial Purchasers as to English and United States law

Allen & Overy LLP
One Bishops Square
London E1 6AD
United Kingdom

Allen & Overy LLP
52 avenue Hoche
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France

To the Initial Purchasers as to Turkish law

Paksoy Ortak Avukat Bürosu
Orjin Maslak
Eski Büyükdere Caddesi No:27 K:11
Maslak, 34398 İstanbul
Turkey

LISTING AGENT

Arthur Cox Listing Services Limited
Earlsfort Centre
Earlsfort Terrace
Dublin 2 Ireland

AUDITORS TO THE ISSUER IN 2011, 2012 AND 2013

KPMG
Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik AŞ
Rüzgarlı Bahçe Mahallesi Kavak Sok. No: 29
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Turkey

AUDITORS TO THE ISSUER IN 2014

PWC
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