

No : İMKB/2-GDD-010.07-02-
Subject : About classification of stocks under groups A, B, and C according to the criteria determined by CMB.

General Letter: 3395
Stock Market Department

Istanbul, September 17, 2010

Dear Member,

Below are the principles of application of the decision of the Capital Markets Board dated 23.07.2010 governing classification of the stocks traded on the markets of our Exchange under groups, A, B, and C according to the criteria determined.

Displaying A, B, C group distinction and Gross Settlement information on Member Representative Screens

With a view to supplying information about those stocks that will be subject to classification under groups A, B, C, and to Gross Settlement on the Stock Market Trading System, two new fields will be created on the stock inquiry screen of the workstations that are used by member representatives in Exchange halls and in remote access to specify the group in which the relevant stock is included (A, B, C) and whether Gross Settlement (GS) will apply or not. Member representatives who use the workstations of our Exchange will be capable of bringing group A, B, C stocks together, view them collectively and access them easily on the market monitoring screens which they can arrange them in line with the information displayed on the stock inquiry screen.

Sending A, B, C group distinction to Data Vendors (DVs).

Information about A, B, C group distinction will be sent to the Data Vendors (DVs) together with stock codes but in a separate field. Thus, DVs will be able to create a separate page for each group, and display each group distinctly. All DVs have been informed with a view to enabling presentation of A, B, C group distinction to investors without having to carry out any additional inquiry.

Displaying A, B, C group distinction and Gross Settlement information on Exchange Daily Bulletin

Two new columns will be created in the Exchange Daily Bulletin, which will precede the column that contains stock codes, and the first of these columns will include "GS" information based on Gross Settlement whereas the second will include A, B, C group information.

Example:

GROSS SETTLEMENT	Group	STOCK CODE	FEATURE CODE
	A	ABCDE	E
GS	B	FGHKL	E

Lists regarding groups A, B, C to be created via quarterly evaluations will always be available on ISE and PDP webpages.

Displaying price depth information on a group A, B, C basis in pending orders.

The decision made by CMB and quoted below, regarding data broadcast, will be applied without exception.

	Group A	Group B	Group C
REPRESENTATIVE WORKSTATIONS	No change has been made.	Depth information related to stocks will be shown as a single level. However, if there is market making with respect to the stock, depth information will be shown in 5 levels.	Depth information related to stocks will be shown as a single level. However, if there is market making with respect to investment trusts, depth information will be shown in 5 levels.
DATA VENDOR SCREENS	Depth information will continue to be shown in 5 levels as is the case with Group A stocks.		

Trading Hours, Trading Method and Additional Trading Principles

The decision made by CMB and quoted below, regarding trading hours, trading method and additional trading principles, will be applied without exception.

	Group A	Group B	Group C
TRADING HOURS	No change has been made.	No change has been made.	They are traded via the single price method, and trading hours and number of auctions are determined by ISE.
TRADING METHOD	They are traded via continuous auction (CA).	They are traded via continuous auction (CA involving market making in some Corporate Products Market stocks).	They are traded via the single price method.
ADDITIONAL TRADING PRINCIPLES	They may be involved in margin trading and short selling.	They cannot be involved in margin trading and short selling.	They cannot be involved in margin trading and short selling.

Trading hours of the Watchlist Market stocks which are included in group C will be applied as 14:00 – 17:30 with the introduction of the single price method as of 01.10.2010. In other words, Watchlist Market stocks will be subject to subscription/single price determination twice during the second session.

Other group C stocks may be traded in both sessions, and will be subject to subscription/single price determination four times a day, two during the 1st session and two during the 2nd session.

The lists relating to the groups assigned will be announced by the Exchange Management before 01.10.2010.

On the other side, provisions of the Circular Letter of our Exchange dated March 15, 2010 and Number 329, will continue to apply independently of the classification under groups A, B, C.

Please be informed.

Best regards,

**ISTANBUL
STOCK EXCHANGE**

İbrahim KURBAN

(Senior Vice Chairman, on behalf of CEO and Chairman)

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