



**BORSA
İSTANBUL**

Borsa İstanbul | Precious Metals and Diamond Market Operation Department



Precious Metals Market Membership Guide

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A. RESIDENT FIRMS	2
1. ELIGIBILITY FOR MEMBERSHIP	2
2. AUTHORIZATION PROCESS	2
3. REQUIRED DOCUMENTS	3
4. ACTIVITY AREAS OF INSTITUTIONS	4
B. NON-RESIDENT FIRMS	5
1. ELIGIBILITY FOR MEMBERSHIP	5
2. AUTHORIZATION PROCESS	5
3. REQUIRED DOCUMENTS	6
4. ACTIVITY AREAS OF INSTITUTIONS	8
APPLICATION PROCESS SUMMARY	9

A. Resident Firms

1. Eligibility for Membership

Below Resident Firms can be a member;

➤ **Banks**

➤ **Authorized Institutions (Currency Offices)**

Authorized Institutions should be A Group authorized institution and must have 8 million TL paid-in capital.

(13/12/2012 dated "Regulation Concerning the Principles of Operations of Precious Metals Exchange Intermediary Institutions and Foundation of Precious Metals Brokerage Houses" article 9/6).

➤ **Precious Metals Brokerage Houses**

Precious Metals Brokerage Houses;

- must be a joint-stock company
- must have at least 8 million TL paid-in capital
- all shares must be registered to name and fully-paid in cash
- founders, who totally have more than %50 of the company's shares, must have at least 5 years of experience in trade and production of precious metals,

(13/12/2012 dated "Regulation Concerning the Principles of Operations of Precious Metals Exchange Intermediary Institutions and Foundation of Precious Metals Brokerage Houses" article 4)

➤ **Precious Metals Producing and Marketing Companies**

- must be a joint-stock company
- must have at least 8 million TL paid-in capital
- all shares must be registered to name and fully-paid in cash
- as a company, must be active in the production or trade of precious metals for at least five years as of the date of application,
- founders, who totally have more than %50 of the company's shares, must have at least 5 years of experience in trade and production of precious metals

(13/12/2012 dated "Regulation Concerning the Principles of Operations of Precious Metals Exchange Intermediary Institutions and Foundation of Precious Metals Brokerage Houses" article 9/3).

Appointment of adequate internal control and supply chain compliance officers and internal control system creation is essential (except banks).

2. Authorization Process

- ✓ In order to become a member, a resident firm must obtain a license to operate in Borsa İstanbul Precious Metals Market from Republic of Türkiye Ministry of Treasury and Finance-Financial Sector Relations and Exchanges Directorate.
- ✓ After getting license from Turkish Republic of Ministry of Treasury, a non-resident firm must apply to Borsa İstanbul, within 60 days from the license date, with a petition, to become a market member.
- ✓ Borsa İstanbul Marketing and Sales department may have an on-site inspection to determine the applicant's human resources and technically capacity is enough to become a member to the market. The result will be presented as a report to the Board of Directors of Borsa İstanbul
- ✓ Borsa İstanbul Board of Directors must approve the membership.

HİZMETE ÖZEL

- ✓ Firms who are accepted as a member to the market must pay below fees within 1 month after they are informed about their membership.
 - Membership entrance fee (125.000 TL)
 - Precious Metals Market operation fee (500.000 TL)
 - Yearly Fee (17.000 TL)
- * For current fees see *Borsa İstanbul Fee Schedule on Borsa İstanbul website.*
- ✓ Firms who are accepted as a member must open accounts in the Takasbank for cash clearing and settlement of trades.
- ✓ After Borsa İstanbul Board of Directors approval Capital Markets Board of Türkiye is informed about the membership.

3. Required Documents

After obtaining license given by Treasury and Finance Ministry, intermediary institutions are expected to apply to the exchange for operating in the market.

- Information, records and documents requested by Borsa İstanbul:
 - Authorization for establishment
 - Licenses given by Treasury and Finance Ministry
 - Following information declared in the Principal Agreement
 - Foreign branches and representatives
 - Paid up capital and holders of shares
 - Curriculum Vitae (background) of chairman of board, shareholders and auditors
 - Curriculum Vitae (background) of general manager, assistant general managers and other directors
 - Organizational structure
 - Contact addresses and phone numbers of center and branches
 - Officers will be in touch with the Market
- Following documents and information are also to be attached to the application letter:
 - Authorized signatures
 - Safekeeping contract signed by authorities
 - Tax certificate
 - List of representatives
 - Recognizance- The Letter of Undertaking (“Taahhütname”) which is given in the attachment of General Letter No:4130 must be signed and KEP address must be stated.

4. Activity Areas of Institutions

- ✓ Buying, selling precious metals
- ✓ Lending and borrowing precious metals
- ✓ Temporary import of processed and unprocessed precious metals and stones to use them for the purpose of manufacturing finished products and export the same as finished or semi-finished goods and stones
- ✓ Buying and selling of processed or unprocessed precious stones at the Exchange
- ✓ Buying and selling of precious metals and stones domestically.
- ✓ Buying and selling precious metals and capital markets instruments based on precious metals for the account of and /or on behalf of themselves and/or third parties
- ✓ Export and import of processed and unprocessed precious metals and/or precious stones and precious goods made of these in compliance with the export and imports regulations
- ✓ Buying and selling of cash foreign currency being limited to their activities at the Exchange



For more details about all membership types and procedures please visit:

<https://www.borsaistanbul.com/en/products-and-markets/markets/precious-metals-and-diamond-markets/precious-metals-market>

For further queries about membership procedures:

Borsa İstanbul A.Ş. / Precious Metals and Diamond Market Operations Department

kmkmtm_info@borsaistanbul.com

Borsa İstanbul A.Ş. / Marketing and Sales Department

alisan.yilmaz@borsaistanbul.com

Tel: (0212) 298 22 62

Address: Borsa İstanbul, Resitpasa Mahallesi, Borsa İstanbul Caddesi No: 4, Sarıyer, 34467, İstanbul / Türkiye

e-mail: international@borsaistanbul.com

B. Non-Resident Firms

1. Eligibility for Membership

- ✓ In order to become a member, a non-resident firm must provide a document issued by the relevant authority of the home country that the company is authorized to produce, trade or sale and purchase of precious metals in the home country.
- ✓ A non-resident firm must open a branch in Türkiye
- ✓ A non-resident firm must have permission (license) from Turkish Republic of Ministry of Treasury

(13/12/2012 dated "Regulation Concerning the Principles of Operations of Precious Metals Exchange Intermediary Institutions and Foundation of Precious Metals Brokerage Houses" article 10)

2. Authorization Process

- ✓ After getting license from Turkish Republic of Ministry of Treasury, a non-resident firm must apply to Borsa İstanbul, within 60 days from the license date, with a petition, to become a market member.
- ✓ Borsa İstanbul Marketing and Sales department will have an on-site inspection to determine the applicant's human resources and technically capacity is enough to become a member in the market. The result will be presented as a report to the Board of Directors of Borsa İstanbul.
- ✓ Borsa İstanbul Board of Directors must approve the membership.
- ✓ Firms who has been accepted as a member to the market must pay below fees within 1 month after they are informed about their membership.
 - Membership entrance fee (125.000 TL)
 - Precious Metals Market operation fee (500.000 TL)
 - Yearly Fee (17.000 TL)

* For current fees see Borsa İstanbul Fee Schedule on Borsa İstanbul website.

- ✓ Firms who are accepted as a member must open accounts in the Takasbank for cash clearing and settlement of trades
- ✓ After Borsa İstanbul Board of Directors approval Capital Markets Board of Türkiye is informed about the membership.

3. Required Documents

After obtaining license given by Treasury and Finance Ministry, intermediary institutions are expected to apply to the exchange for beginning activities.

- Information, records and documents requested by Exchange
 - Authorization for establishment
 - Licenses given by Treasury and Finance Ministry
 - Following information declared in the Principal Agreement
 - Foreign branches and representatives
 - Paid up capital and shares of holders
 - Curriculum Vitae (background) of chairman of board, shareholders and auditors
 - Curriculum Vitae (background) of general manager, assistant general managers and other directors
 - Organizational structure
 - Contact addresses and phone numbers of center and branches
 - Officers will be in touch with the Market

Following documents and information are also to be attached to the application letter:

- Authorized signatures
 - Safekeeping contract signed by authorities
 - Tax certificate
 - List of representatives
 - Recognizance The Letter of Undertaking (“Tahhütname”) which is given in the attachment of General Letter No:4130 must be signed and KEP adres must be stated.
- Required Documents to obtain operating license given by Treasury and Finance Ministry
 - Following documents should be submitted to Ministry. All documents should be approved by the competent authorities of the country concerned.
 - The master agreement of the company to be registered at the Trade Registry Gazette where the statute was published
 - A current table showing the company's shareholding structure, the names of the partners, the number of shares they hold, the members of the board of directors, the persons who have the authority to sign, the company fax and telephone numbers
 - The documents to be obtained from the relevant courts displaying the persons who are real and legal and the members of the board of directors and the persons authorized to sign are not bankrupt.
 - Real person partners, real persons who hold or control over ten percent or more of the legal entity partners, the members of the board of directors and the persons who are authorized to sign should submit judicial registry documents received within the last six months,
 - A statement that declares real or legal person shareholders, members of the board of directors and the persons authorized to sign do not have the right or indirect share of ten percent or more or control in the banks which have been removed from the operation permit except for voluntary liquidation or transferred to the Savings Deposit Insurance Fund or in the banks which have been transferred to the Fund.

HİZMETE ÖZEL

- A statement that declares real or legal person shareholders, members of the board of directors and the persons authorized to sign do not have the right or indirect share of ten percent or more or control in the banks which have been removed from the operation permit except for voluntary liquidation or transferred to the Savings Deposit Insurance Fund or in the banks which have been transferred to the Fund.
- Authorization for establishment
- The documents to be taken from the relevant tax offices that the real and legal person partners and the members of the board of directors and the persons holding the signature authority do not have the outstanding tax liability
- Curriculum Vitae (background) of chairman of board, shareholders and auditors
- Curriculum Vitae (background) of general manager, assistant general managers and other directors
- Feasibility Report
- Identity cards and resident status of real person partners and members of the board of directors and the persons who have the authority to sign
- Company Balance Sheet for the last two years
- Document proving that joint-stock companies engaged in the production or trade of precious metals have been active in the production or trade of precious metals for at least three years
- Certified Financial Consultancy Report that will show that the paid-in capital is at least required by the Regulation
- Documents confirming the qualifications of the founders of Precious Metals Brokerage Houses (Article 5)

Article 5- Qualifications of precious metals brokerage house founders, managers and internal control and supply chain compliance officers

(1) Ten percent or more of each founding partner and legal entity founding partners of the precious metals intermediary institution residing in Türkiye shareholders, the general manager of the company, members of the board of directors, employees with signature authority and internal control and supply chain compliance of its officers must have the following qualifications;

a) Not being bankrupt, not declaring a bankruptcy, not having approved the restructuring application by compromise, or the bankruptcy postponement decision has not been made,

b) Simple or qualified embezzlement, extortion, bribery, regardless of term imprisonment or punishment, even if they have been pardoned, excluding negligent crimes,

Theft, fraud, forgery, breach of trust, fraudulent bankruptcy and Anti-Smuggling dated 21/3/2007 and numbered 5607 Smuggling crimes in the Law, rigging of official tenders and purchases, usury, laundering of property values arising from crime, financing of terrorism or crimes against the sovereignty of the State and the dignity of its organs, crimes against the security of the State, Constitutional crimes against order and its functioning, crimes against national defense, crimes against state secrets and espionage, relations with foreign states not be convicted of counteroffenses, tax evasion or participation in these crimes,

c) Within the last five years as of the date of application; 4 of the Communiqué No. 2018-32/45 Concerning the Decision No. 32 on the Protection of the Value of Turkish Currency

Not having a partnership in authorized establishments whose operating permit or branch operating permit has been canceled by the Ministry due to activities contrary to Article 3, or

not have been the chairman of the board of directors, board member, general manager or internal control and supply chain compliance officer,

He has not submitted false information and documents to the Ministry and he has been a shareholder of the companies in which he has ten percent or more of the shares, or in the period when he was authorized to represent the workplaces where he was authorized to represent.

not sanctioned,

ç) Collection Procedure of Public Receivables dated 21/7/1953 and numbered 6183 of companies with which they have a ten percent or more partnership share

Not having overdue debt within the scope of the Law,

d) Having the necessary financial power and the honesty, competence and reputation required by the job,

e) Within the last year as of the application date; Precious metals whose operating license has been canceled by the Ministry in accordance with the sixth paragraph of Article 21

not having a partnership in intermediary institutions or the chairman of the board of directors, a member of the board of directors, general manager or internal control and supply chain compliance
the officer was absent from one of his duties

4. Activity Areas of Institutions

- ✓ Buying, selling precious metals
- ✓ Lending and borrowing precious metals
- ✓ Temporary import of processed and unprocessed precious metals and stones to use them for the purpose of manufacturing finished products and export the same as finished or semi-finished goods and stones
- ✓ Buying and selling of processed or unprocessed precious stones at the Exchange
- ✓ Buying and selling of precious metals and stones domestically.
- ✓ Buying and selling precious metals and capital markets instruments based on precious metals for the account of and /or on behalf of themselves and/or third parties
- ✓ Export and import of processed and unprocessed precious metals and/or precious stones and precious goods made of these in compliance with the export and imports regulations
- ✓ Buying and selling of cash foreign currency being limited to their activities at the Exchange

Important Notice: Resident or non-resident, any company which have operation right (membership) for Precious Metals Market is able to operate in Precious Metals Lending Market by submitting a letter of application to Borsa İstanbul



For more details about all membership types and procedures please visit:

<https://www.borsaistanbul.com/en/products-and-markets/markets/precious-metals-and-diamond-markets/precious-metals-market>

For further queries about membership procedures:

Borsa İstanbul A.Ş. / Precious Metals and Diamond Market Operations Department

kmktm_info@borsaistanbul.com

Borsa İstanbul A.Ş. / Marketing and Sales Department

alisan.yilmaz@borsaistanbul.com

Tel: (0212) 298 22 62

Address: Borsa İstanbul, Resitpaşa Mahallesi, Borsa İstanbul Caddesi No: 4, Sarıyer, 34467, İstanbul / Türkiye

e-mail: international@borsaistanbul.com

APPLICATION PROCESS SUMMARY

After getting license from Turkish Republic of Ministry of Treasury, a non-resident firm must apply to Borsa İstanbul, within 60 days from the license date, with a petition, to become a market member.

After Borsa İstanbul Marketing and Sales department inspection a report is presented to the Board of Directors of Borsa İstanbul.

Borsa İstanbul Board of Directors must approve the membership.

Firms who has been accepted as a member to the market must pay below fees within 1 month after they are informed about their membership.

Membership entrance fee (62.500 TL) / Precious Metals Market operation fee (250.000 TL) (For investment and development bank operation fee is 125.000 TL) / Yearly Fee (8.500 TL) / Collateral for Trading (20.000 TL)

Firms who are accepted as a member must open accounts in the Takasbank for cash clearing and settlement of trades



For details please follow the links:

Eligibility for Membership :

[Residents](#)

[Non-Residents](#)

Required Documents :

[Residents](#)

[Non-Residents](#)

Activity Areas of Institutions :

[Residents](#)

[Non-Residents](#)