

## **OBLIGATIONS OF ELECTRONIC COMMERCE INTERMEDIARY SERVICE PROVIDERS AND ELECTRONIC COMMERCE SERVICE PROVIDERS**

### **A. INTRODUCTION**

Law No. 6563 on the Regulation of Electronic Commerce ("ETK") entered into force upon publication in the Official Gazette dated 05.11.2014 and numbered 29166. The Regulation on Electronic Commerce Intermediary Service Providers and Electronic Commerce Service Providers ("**Regulation**") issued based on this law entered into force after being published in the Official Gazette dated 29.12.2022 and numbered 32058.

The purpose of the Regulation is to ensure that the electronic commerce sector continues in a fair manner and to determine the conditions for the regulation of the relationship between electronic commerce intermediary service providers ("ECISP") and electronic commerce service providers ("ECSP").

### **B. DEFINITIONS**

#### **a. The Definition of Electronic Commerce**

Electronic commerce is defined in the ETK and the Regulation as "*all kinds of online economic and commercial activities carried out in electronic environment without physical confrontation*".

#### **b. The Definition of Electronic Commerce Service Provider**

The Regulation defines an ECSP as "*a service provider that concludes contracts or takes orders for the supply of goods or services in an electronic commerce marketplace or in its own electronic commerce environment*".

#### **c. The Definition of Electronic Commerce Intermediary Service Provider**

With its definition in the Regulation, ECISP is defined as "*an intermediary service provider that enables the execution of contracts or placing orders for the supply of goods or services of electronic commerce service providers in the electronic commerce marketplace*".

#### **d. The Definition of Electronic Commerce Marketplace**

The Electronic Commerce Marketplace is defined as "*the electronic commerce environment where ECISP provides intermediary services*".

To illustrate the above definitions with an example, if a product or service is offered for sale by person C on website B owned by person A;

- Person A Electronic commerce intermediary service provider;
- Website B: Electronic Commerce Marketplace;
- Person C (seller): Electronic commerce service provider

and as a result, electronic commerce activity will be realized.

### C. CLASSIFICATION OF ECISP AND ECSP

Within the scope of the Regulation, ECSPs and ECISPs are categorized into three groups as very large-scale, large-scale and medium-scale based on trading volume and number of transactions.

The purpose of this categorization is to fairly determine the liabilities of ECSPs and ECISPs according to their trading volume and size. In this context, while more severe obligations have been set for very large-scale ECISPs, the scope of obligations for medium-scale ECISPs has been narrowed.

#### a. ECSP

ECSP Type	Net trading volume in a calendar year	Number of transactions in a calendar year (excluding cancellations and returns)
Medium-sized ECSP	At least 10 billion TL (10.000.000.000)	At least 10 billion units
Large Scale ECSP	At least 30 billion TL (30.000.000.000)	At least 10 billion units
Very Large Scale ECSP	At least 60 billion TL (60.000.000.000)	At least 10 billion units

#### b. ECISP

ECISP Type	Net trading volume in a calendar year	Number of transactions in a calendar year (excluding cancelations and returns)
Medium ECISP	At least 10 billion TL (10.000.000.000)	-
Large Scale ECISP	At least 30 billion TL (30.000.000.000)	At least one hundred thousand units
Very Large Scale ECISP	At least 60 billion TL (60.000.000.000)	At least one hundred thousand units

### D. COMMON OBLIGATIONS OF ECSP'S AND ECISP'S AND PROHIBITED ACTIVITIES

## 1. Obligations

### a. Obligation to Provide Information

Articles 5 and 6 of the Regulation impose an obligation on the ECSP and ECISP to provide certain information on the home page of the electronic trading environment and the electronic trading marketplace. The ECSP and ECISP are obliged to provide the information in the table below under the heading "contact":

ECSP Operating in the Electronic Commerce Marketplace		ECSP Operating in Its Own Electronic Commerce Environment	ECISP Operating in the Electronic Trade Marketplace
ECSP who are traders, craftsmen or artisans	ECSP who are not traders, craftsmen or artisans		
<ul style="list-style-type: none"> <li>At least one of the trade name, business name or registered trademark information</li> <li>KEP address</li> <li>Tax identification number for artisans and craftsmen, MERSIS number for merchants</li> <li>Center address</li> <li>Electronic mail address</li> <li>Telephone number</li> </ul>	<ul style="list-style-type: none"> <li>Name, surname</li> <li>Province where the headquarters address is located</li> <li>Headquarters address</li> <li>Electronic mail address</li> <li>Telephone number</li> </ul>	<ul style="list-style-type: none"> <li>Trade name, MERSIS number and headquarters address <b>for merchants</b>; name and surname, tax identification number and headquarters address <b>for tradesmen and craftsmen</b>.</li> <li>KEP address, electronic mail address, telephone number, business name and registered trademark, if any.</li> <li>Information on the professional chamber of which he/she is a member, the code of conduct related to the profession and how they can be accessed electronically.</li> </ul>	<ul style="list-style-type: none"> <li>Trade name, MERSIS number and headquarters address <b>for merchants</b>; name and surname, tax identification number and headquarters address <b>for tradesmen and craftsmen</b>.</li> <li>KEP address, electronic mail address, telephone number, business name and registered trademark, if any.</li> <li>Information on the professional chamber of which he/she is a member, the code of conduct related to the profession and how they can be accessed electronically.</li> </ul>

In the event of any change in the above-mentioned information, ECSP operating in the Electronic Trade Marketplace is obliged to notify ECISP of such changes via the internal communication system until the end of the day following the date of the change.

ECISP is obliged to verify the above-mentioned identifying information of the ECSP operating in the electronic commerce marketplace. This verification should be made through the MERSIS registration system, trade registry gazette, chamber of commerce records, chamber of tradesmen and craftsmen and other electronic systems of the relevant institutions or documents obtained from the ECSP. If this information cannot be verified, no intermediation service is provided to the ECSP.

If the information is verified, the ECISP shall include information in the space allocated for the ECSP that it has the confirmed electronic communication address and the verified headquarters address.

ECISP is also obliged to check the timeliness of the introductory information of the ECSP to which it provides intermediary services within the first three months of each year, and if it determines that this information is outdated, it is obliged to ensure that the information is updated by giving a **maximum of three business days** with the notification to the ECSP. An ECSP that fails to update its identifying information within the given period of time may only provide intermediary services for existing orders until it updates such information.

#### **b. Obligation to Create a Transaction Guide**

ETAHS and ETS are obliged to have a "transaction guide" directly accessible on the home page of the electronic commerce environment. The information contained in the transaction directory must be up-to-date. The information in question is as follows:

- Technical steps to establish the contract, showing the necessary steps such as selecting the goods and services, entering delivery and payment information and confirming the order
- Information on whether the contract will be stored electronically, whether the buyer will be able to access this contract later in the same environment and for how long this access will be provided
- Information on the availability of a summary order form and technical tools such as undo, so that the buyer can identify and correct errors in data entry before placing the order
- Alternative dispute resolution mechanisms, if any, in case of dispute with the buyer

#### **c. Order Related Liabilities**

The ECSP that operates in its own electronic commerce environment and ECISP is also responsible for fulfilling certain obligations at the point of creating and completing the order for the area in which it provides services. These obligations are divided as follows:

##### **i. Liabilities for Second Hand Orders**

ECSP and ECISP offers second-hand goods for sale in a separate category so that the buyer can distinguish it.

##### **ii. Information on Tax, Delivery and Other Charges**

At the stage when the buyer will confirm the order, before entering the payment information, the total price to be paid by the buyer and all the terms of the contract must be clearly visible to the buyer.

Therefore, the buyer should be able to view the total price and the terms of the contract before entering the payment information. The total price shown at this stage should include tax and delivery costs. However, if delivery costs cannot be determined at the order confirmation stage, the buyer is explicitly informed that additional costs may be payable.

### **iii. Creating Order Summary**

Before the order is confirmed, an order summary screen should be created where data such as the address, contract, price, etc. related to the order can be displayed, and where this data can be reviewed by the buyer and errors can be detected. Technical tools such as "undo" should be provided in the system in order to correct an error in data entry or to view the previous stages. In this way, the buyer will be given the opportunity for a final check and change.

### **iv. Presenting the Order Related Matters to the Buyer**

Upon completion of the order, the provisions of the contract must be delivered to the buyer physically or electronically. Thus, the buyer will be able to re-view, use and store the contractual provisions in printed form. In practice, it is generally observed that the provisions of the contract are sent to the buyer via e-mail after the order is completed.

### **v. Order Confirmation**

Upon completion of the order, the ECSP and ECISP is obliged to notify the buyer of the receipt of the order without delay in the electronic commerce environment in which the order is received. In addition to this notification in the electronic commerce environment, notification must be made by at least one of the means such as electronic mail, text message or telephone call. It is accepted that the order confirmation is made as soon as it is possible for the parties to access the aforementioned notifications and statements made for confirmation of the receipt of the order.

### **d. Share Transfer Notification Obligation**

In medium, large and very large-scale ECISP and ECSP's, share transfers or acquisitions of five percent or more by the shareholders of the company within the company must be notified to ETBIS. The ECSP and ECISP that is obliged to notify shall notify ETBIS within one month from the date the transfer or acquisition is recorded in the share ledger. Share transfers or acquisitions made in relation to dematerialized shares are not covered by this obligation.

If a medium, large and very large-scale ECSP and ECISP establishes a company, it is obliged to notify ETBIS within one month following the registration of the establishment with the trade registry. If a medium, large and very large-scale ECSP and ECISP acquires the shares of an existing company, it is obliged to notify ETBIS.

### **e. Independent Audit Obligation**

Medium, large and very large-scale ECSP and ECISP are obliged to have an independent audit by an independent audit firm authorized by the Capital Markets Board. This audit, which must be conducted annually, must be related to the previous calendar year. The audit report to be obtained as a result of the audit must be sent to the Ministry in April each year.

At a minimum, the audit report should include the following

- The activities of the ECSP and ECISP,
- Management and organization structure,
- Current shareholders and their share ratios, their affiliates and their share ratios in their affiliates,
- Information on the person with whom they have economic integrity,
- Registered trademark information and electronic commerce media information of the ECSP and ECISP,
- Financial position, including financial statements,
- Compliance with the obligations regarding electronic commerce license.
- Compliance with obligations regarding advertising and discount budget (*Only for ECSP's with an annual net trading volume of at least TRY 30 billion and a trading volume of at least 10 million units and, large and very large-scale ECISP*)
- Advertising and discount expenditures (*Only for ECSP's with an annual net trading volume of at least TRY 30 billion and a trading volume of at least 10 million units and, large and very large-scale ECISP*)

**f. Obligation to Obtain an Electronic Commerce License**

The ECISP whose net transaction volume in a calendar year is over ten billion Turkish liras and the number of transactions, excluding cancellations and returns, is over one hundred thousand, large-scale and very large-scale ECISP and medium, large and very large-scale ECISP, which obtains more than half of its total sales revenue from electronic commerce sales, are obliged to obtain a license from the Ministry and renew their license in order to continue their activities.

The application for obtaining a license is made via ETBIS in March of the calendar year following the year in which the thresholds are exceeded, and the license renewal application is made via ETBIS in March of each calendar year as long as the thresholds are exceeded.

**g. Obligations Regarding Commercial Communication and Commercial Electronic Message**

Commercial electronic message refers to messages containing data, audio and video content that are carried out electronically using means such as telephone, call centers, fax, automatic dialing machines, smart voice recorder systems, electronic mail, short message service and sent for commercial purposes.

**i. Condition for Sending Commercial Electronic Messages**

Commercial electronic messages may only be sent to buyers with their prior consent. This consent may be obtained in writing or by any means of electronic communication. In the event that the buyer provides his/her contact information in order to be contacted, consent is not obtained for commercial electronic

messages regarding changes, use and maintenance of the goods or services provided. Commercial electronic messages may be sent to tradesmen and merchants without prior consent.

## **ii. Content of Commercial Electronic Message**

The content of the commercial electronic message must comply with the consent received from the buyer. The message includes information that enables the service provider to be recognized and accessible contact information such as telephone number, fax number, short message number and e-mail address depending on the type of communication. Depending on the type of communication, the message shall also include information on the subject and purpose of the message and on whose behalf it is made if it is made on behalf of someone else.

## **2. Prohibited Activities**

### **a. Prohibition on Publicity on Online Search Engines**

In order for the ECSP and ECISP to engage in marketing and promotional activities in online search engines by placing advertisements on keywords consisting of registered trademarks that exclusively constitute the main element of the domain names registered in ETBIS of persons with whom the ECSP and ECISP are not in economic integrity, it must obtain the prior affirmative declaration of will of such persons in writing or electronically.

In the event that marketing and promotion activities are carried out as mentioned above without obtaining the necessary approvals from the relevant persons, it is possible to file a complaint with the Ministry. If the Ministry determines that there is a violation as a result of the investigation conducted by the Ministry, the Ministry notifies the relevant ECSP and ECISP to terminate the violation. ECSP and ECISP are obliged to take action to eliminate the violation within 24 hours after receiving the notification made by the Ministry and to inform the Ministry on this matter.

### **b. Access Prohibition**

Medium, large and very large-scale ECISP and ECSPs are prohibited from providing access to electronic commerce environments belonging to itself or to persons with whom it has economic integrity, and promoting each other in these environments. Electronic trading environments included in the net trading volume of the ECSP and ECISP are not covered by this prohibition.

### **c. Prohibitions on Banking and Payments**

It is prohibited to enable banks or financial leasing, factoring, financing and savings finance companies, with which the very large-scale ECSP and ECISP are economically integrated, to carry out activities related to the realization of all kinds of services they offer, including lending transactions in the electronic commerce environment.



In addition, it is also prohibited for a very large-scale ECSP and ECISP to enable the acceptance of electronic currencies issued by electronic money institutions with which it is economically integrated.

It may not provide services or enable the provision of such services by persons with whom it is in economic integrity for transactions related to instruments that can only be used for the purchase of goods or services at the place of business of the issuer of the payment instrument, in a limited network of service providers or within the framework of a commercial agreement with the issuer of the payment instrument for a limited range of goods or services, and transactions with prepaid instruments that can only be used in its own store network, only for the purchase of a specific group of goods or services, or only in a specific service network as a result of an agreement with the issuer of the electronic money. However, points, coupons, gift vouchers and similar opportunities provided by ECISP to buyers in return for purchases made by refurbishment centers operating within the scope of the Regulation on the Sale of Refurbished Products by directing buyers through the electronic commerce marketplace are not covered by this prohibition.

These prohibitions on banking and payments also cover the ECISP's included in the net transaction volume of the ECISP and the ECSP's that operates in the electronic commerce marketplace within their economic integrity.

#### **d. Prohibitions on Advertisement Service**

In the event that a very large-scale ECSP and ECISP provides electronic media for the publication of advertisements for goods or services, it is prohibited to provide the opportunity to conclude contracts or place orders for the supply of goods or services in the same medium. If the services in question are provided in different electronic media by itself or by persons with whom it has economic integrity, it is also prohibited to provide access between these media and to promote each other.

### **E. OBLIGATIONS AND PROHIBITED ACTIVITIES THAT ARE SPECIAL FOR ECISP**

#### **1. Obligations of ECISP**

##### **a. Obligations Regarding the ECSP**

###### **i. Obligation to Pay the ECSP**

ECISP must transfer the payments made to ECSP arising from the product sales of ECSP for which it provides intermediary services to ECSP within the scope stipulated in the intermediary agreement. Payments to be made to ECSP within this scope must be transferred to ECSP within 5 business days at the latest from the date the payment made by the Buyer to ECISP reaches the account of ECSP.

###### **ii. Obligation to Audit the Regulatory Compliance of the ECSP**

*Medium, large and very large-scale ECSPs*, in relation to the content provided by the ECSP;

- Law on the Regulation of Electronic Commerce,
- Law on Consumer Protection,
- Personal Data Protection Law,



- Industrial Property Law,

and all legal regulations based on these Laws; to conduct an annual review in this regard and to prepare a report on the results of the review and submit the report to the Ministry of Trade ("**Ministry**") by April of the following calendar year.

### **iii. Providing Access to ECSP on Data**

ECISPs are obliged to make certain data available to the ECSP and to provide the necessary technical facilities for this purpose. In this context, the ECISP is obliged to make the following data available to the ECSP:

- Sales and return data, features, descriptions and images of the products offered for sale by ECSP; questions, answers and evaluations regarding these products;
- If obtained by ECISP; periodic, special day, category and product-based most preferred product data, gender, age group, province and district distribution of buyers, and purchase day and time data;
- Data including the evaluation scores for the performance of the ECSP and the unique number assigned by ECISP to the ECSP's product, which serves to distinguish the products available on the Electronic Commerce Marketplace.

The technical infrastructure for the sharing and access of such data will be provided by the ECISP. As a matter of fact, pursuant to the Regulation, when making such data available to the ECSP, the ECISP shall include the title or brand of the Electronic Trade Marketplace where the source data was originally created and shall create the application programming interface (API) for the transportation and storage of the data belonging to the ECSP.

Upon the request for data sharing by ECSP, ECISP is obliged to fulfill this request within 15 days and anonymize the recipients' information and share the data with ECSP.

### **b. Obligations Regarding Unlawful Content**

As a rule, in the event that ECISP becomes aware of unlawful content related to the content offered by ECSP and the goods or services subject to the content, it must remove the unlawful content from publication within 48 hours and notify the relevant public institutions and organizations.

### **c. Obligations Regarding Complaint Applications Regarding Infringement of Intellectual and Industrial Property Rights**

ECISP is obliged to process applications for infringement of intellectual and industrial property rights duly filed through the internal communication system, notary public or KEP.

ECISP shall process the complaint application immediately and within 48 hours upon receipt. ECISP removes the product subject to the complaint within 48 hours at the latest and notifies ECSP.

The ECSP has the right of appeal against the complaints filed. Therefore, the ECISP should provide information on the mechanisms for appealing the complaint in the notification to the ECSP regarding the complaint in question.

ECISP then conducts a review of the application. The review to be conducted by ECISP is limited to the information and documents provided by ECSP, but those concerned reserve the right to apply to judicial and administrative authorities.

If it is clearly understood from the information and documents submitted in the objection to the complaint that the objection to the complaint is justified, ECISP re-publishes the product subject to the complaint within 24 hours from the receipt of the objection to the complaint and notifies ECSP and the right holder of the situation. In order for ECISP to process complaint applications regarding the same product and claim, new documents proving the violation of intellectual and industrial property rights must be submitted, otherwise ECISP will not process the relevant complaint applications and notify the applicant.

#### **d. Obligation to Establish an Internal Communication System**

The Internal Communication System is defined as "the system created by ECISP to ensure easy and free of charge all kinds of communication with the ECSP for which ECISP provides intermediary services in the Electronic Trade Marketplace". Within the scope of the Regulation, ECISP is obliged to establish the Internal Communication System through which communication will be provided for contract amendments, address changes, termination notifications, etc.

#### **e. Obligations Regarding Data Usage**

Except for publicly available data, *Medium, Large and Very Large ECISPs* shall use the data obtained from the ECSP or the buyer only for the purpose of providing and improving the intermediary service and shall not use such data obtained from the intermediary service in the event that it is an ECSP or when competing with other ECSP's through ECSP's with which it is economically integrated.

#### **f. Obligation to Identify and Notify Contact Persons**

ECISP will designate at least one real or legal person as a contact point for public institutions and organizations to communicate directly with it and will notify the Ministry of this person's contact information through the Electronic Trade Information System ("ETBIS").

## **2. Prohibited Activities for ECISP**

### **a. Prohibition of Unfair Commercial Practice**

In order to ensure the continuity of the activities of the ECSP and to provide a fair environment for electronic commerce, the ECISP is prohibited from engaging in unfair commercial practices. Within the scope of the Regulation, whether a practice causes unfair trade is evaluated by 2 criteria.

If the application in question:

- significantly disrupts ECSP's business operations;
- impairs ECSP's ability to exercise reasonable judgment or forces it to take a particular decision, causing it to become a party to a commercial relationship to which it would not normally be a party

these practices are considered as unfair commercial practices. In other words, ECISP may not engage in any practice that may disrupt the commercial activities of ECSP and impair its reasonable decision-making mechanism.

In addition to these conditions, some situations that are considered unfair commercial practices are listed below.

- fulfill its obligation to make payments to ECSP in full and on time.
- ECISP cannot make unilateral changes in the prices of the products offered for sale by ECSP or force ECSP to make discounts.
- The ECISP must determine the terms of the commercial relationship with the ECSP by means of an intermediary agreement in writing or electronically, and if this agreement is not clear and understandable, or if this agreement is not clear and understandable, it must be stored in the internal communication system so that it can be accessed by the ECSP later.
- ECISP cannot make retroactive or unilateral changes to the provisions of the intermediary agreement to the detriment of ECSP.
- It cannot demand any service fee from the ECSP that is not specified in the intermediary agreement.
- Although any objective criteria are included in the intermediation agreement, the intermediary may not downgrade the ECSP in the ranking or recommendation system, restrict, suspend or terminate the service provided to the ECSP. Actions against the ECSP, such as restriction, suspension and termination, may only be taken in cases explicitly stated in the intermediation agreement.
- Without the prior consent of the ECSP, no right of withdrawal periods beyond the periods specified in the Law No. 6502 on the Protection of Consumers may be determined.
- It may not make untrue or misleading statements and notifications to ECSP about its products and activities.
- Large and very large scale ECISP cannot restrict ECSP's commercial relations. ECSP may offer and advertise its products through alternative channels at any price it wishes. Furthermore, ECISP cannot force ECSP to procure goods and services from any person.

#### **b. Prohibition of Sale of Own Branded Product**

ECISP, in the electronic commerce marketplaces where it provides intermediary services, the goods bearing the trademark of itself or the persons with whom it is in economic integrity or for which it has the right to use the trademark;

- will not offer it for sale,
- will not intermediate in the sale of the product,
- in the event that it is offered for sale in different electronic commerce environments, will not provide access between these environments and
- will not promote it.

### Exception

The Law on the Regulation of Electronic Commerce stipulates that goods bearing the trademark or having the right to use the trademark of persons who obtain more than half of their total sales revenue from sales other than electronic commerce are exempt from the aforementioned prohibition.

On the other hand, ECISP will be able to offer for sale **periodicals such as magazines and newspapers and its own branded devices whose hardware and software exclusively enable the reading, listening and use of digital copies of electronic books on the Electronic Trade Marketplace.**

### c. Postal and Transportation Service Prohibition

**Very large ECISPs** cannot, as a rule, engage in the carriage of goods, organizers of transport and postal service providers.

### Exceptions

However, postal and transportation activities for the following sales are excluded from the scope of this prohibition. Accordingly, very large-scale ECISPs,

- Sales on electronic trade marketplaces where ECISP provides intermediary services,
- EATHS sales as ECSP,
- EATHS to sales outside e-commerce,

will be able to carry out transportation activities.

## F. INTERMEDIARY AGREEMENT

### 1. Elements of the Intermediary Agreement

Article 15 of the Regulation contains provisions regarding the intermediary agreement that will determine the terms of the commercial relationship between ECISP and ECSP. Accordingly, the intermediary agreement must be in writing or be prepared electronically.

The intermediary agreement should generally include the following:

- Intermediary service information provided to the ECSP
- Circumstances requiring restriction, suspension or termination of the intermediary service and related processes

- Information on the service fees requested from the ECSP and the circumstances and conditions under which these fees will be differentiated or updated
- The parameters used in the ranking or recommendation of goods or services to the buyer, the priority ranking among them if there is more than one parameter, and the effects of this situation on the ranking if a direct or indirect price is paid in order to affect the ranking
- Duration of payments to ECSP
- Access to the internal communication system and information about the functioning of this system
- Information that the intermediary agreement will be stored in an internal communication system easily accessible by the ECSP
- If a period is determined above the right of withdrawal period determined within the scope of Law No. 6502, information regarding this
- Proof of ownership of the intellectual and industrial property right and information on the use of this right and the measures taken regarding the infringement of the right
- Information on whether and for how long the ECSP will have access to the data obtained as a result of the activities of the ECSP during the provision of the intermediation service, following the termination of the contractual relationship

In addition to the aforementioned, the intermediation agreements to be executed by medium, large and very large-scale ECISPs should also include the above listed;

- the information that the ECSP will provide the technical means for the ECSP to carry the information referred to in subparagraph (c) of the first paragraph of Article 21 free of charge and efficiently and to provide access to such data within the term of the intermediation agreement; and
- Information that the ECSP will respond to data access and data migration requests within fifteen days by anonymizing recipient information,

## **2. Modification of Intermediary Agreement Provisions by ECISP**

ECISP shall notify ECSP of any amendments to the provisions of the intermediary agreement through its internal communication system and also through its approved electronic communication address. As a rule, amendments to the agreement shall be implemented at the end of fifteen days from the date of notification, but if a longer period is set by the ECISP, they shall be implemented at the end of this period. The 15-day period set forth in the provision has been increased to 30 days in cases that require technical development by the ECSP and in cases that have consequences such as increasing commission rates and other service fees, restricting, suspending or terminating the intermediary service, imposing new penal clauses on the ECSP, and deteriorating the balance of rights and interests against the ECSP.

## **3. Restriction, Suspension and Termination of Intermediary Service**

As a rule, the ECISP can not restrict, suspend or terminate the intermediary service; however, objective criteria set out in the intermediary agreement constitute an exception to this rule. Even in this case, the

reasons for restricting, suspending or terminating the intermediary service should be clearly and comprehensibly notified to the ECSP and the ECSP should be requested to provide its explanations within 3 business days.

ECISP may restrict, suspend or terminate the intermediary service if the explanation provided by ECSP is insufficient or no explanation is provided within the given period. In this case, ECISP must announce its decision within 7 business days after receiving the explanation provided by ETHS. If no explanation has been provided by the ECSP, ECISP must announce its decision at the end of the 3 business day period given to the ECSP. The intermediary agreement shall be deemed to be terminated on the date of the notice of termination.

In addition to the above-mentioned cases, the intermediary service may be immediately restricted, suspended or terminated without requesting any explanation *for reasons arising from the legislation or in cases involving public order, where there is an inconvenience in delay or involving fraud, data breach or other cyber security risks*. The reason for restriction, suspension and termination shall be notified to the ECSP without delay.

If the intermediary service is restricted, suspended or terminated, ECSP has the right to carry out business and transactions related to its existing orders, provided that they are in accordance with the intermediary agreement and the law.

If ECISP has lifted its previous restriction or suspension decision or has re-signed an intermediary agreement with an ECSP with which it has terminated the intermediary agreement, it provides the opportunity without delay for the ECSP to regain access to the information on the electronic trading marketplace to which it previously had access.

Notifications regarding the restriction, suspension and termination made by the ECISP must be made through the internal communication system and also through one of the approved electronic communication addresses. The explanations to be made by the ECSP regarding the restriction, suspension or termination must be made through the internal communication system.