

Istanbul, 27/09/2016

General Letter: 1304
Money Markets Team

Subject: Order Matching Rule Revision in Takasbank Money Market (TMM)

Ref: Our General Letter dated 23/12/2013 and numbered 1147

Concerns: Brokerage Houses
Banks
Financial Institutions
Insurance, Life and Pension Companies

Dear General Manager,

Pursuant to the fifth paragraph of article 21 "Order Matching" of the TMM Procedure, the waiting period for matching of the routed orders by the same institution is 30 seconds, and if the counter order transmitted before the elapse of such time is at a price compatible with the orders of other members, then it is executed either partially or fully with the orders of these members; and the remaining portion of the order is cancelled automatically.

From date of revision made in 2013 in the aforesaid waiting period (from 5 minutes to 30 seconds) to today, the average daily trading volume has increased by 84%, the average number of daily contracts has increased by 42% and the average number of daily orders has increased by 30% in the TMM.

By considering the increased trading volume and number of orders and contracts over the years, and with an effort to make the market more efficient and evaluate the members' requests conveyed in this direction, such counter order waiting period shall be applied as 15 seconds as of **03/10/2016**. On the other hand, the rule which stipulates that in order for the orders of the same member to be matched with each other, the order given on behalf of the investment fund/trust should have been entered to the system at first shall exactly prevail.

In this context; article 21 of Takasbank Money Market has been revised, and Takasbank Money Market Procedure incorporating the revisions that will become effective as of 03/10/2016 is available on our Bank's web site (www.takasbank.com.tr).

We respectfully submit for your kind information and necessary action.

Yours sincerely,

TAKASBANK
ISTANBUL SETTLEMENT AND CUSTODY BANK INC.

Cengiz ÖZÜBEK
Assistant General Manager.

Mahmut KAYACIK
General Manager
Member of the Board of Directors