

General Letter: 1374
Equities and Other Equity Instruments
Clearing & Settlement Team

Subject: Changes in the Procedure on Istanbul Settlement and Custody Bank Inc. Borsa Istanbul Equity Market Clearing and Settlement and Central Counterparty Principles

Related Parties: Brokerage Firms, Banks

Dear General Manager,

Procedure on Istanbul Settlement and Custody Bank Inc. Borsa Istanbul Equity Market Clearing and Settlement and Central Counterparty Principles has been amended and related amendments will be applicable as of October 16, 2017.

Amendments to the procedure are summarized herebelow in the attachment and the final version may be reached on our bank website through the link provided. (<http://www.takasbank.com.tr/tr/Sayfalar/Prosedurler.aspx>).

Sincerely Yours,

TAKASBANK
ISTANBUL SETTLEMENT AND
CUSTODY BANK INC.

Gökhan ELİBOL
Executive Vice President

Mahmut KAYACIK
CEO Board Member

Ek: Procedure Changes Comparison Table

Current					New				
Collateral depositing or withdrawal transactions					Collateral depositing or withdrawal transactions				
MADDE 57 – (5) Depositing and withdrawal deadlines on collateral basis are as follows:					MADDE 57 – (5) Depositing and withdrawal deadlines on collateral basis are as follows:				
Assets eligible as collateral	Full Day Depositing Deadline	Half Day Depositing Deadline	Full Day Withdrawal Deadline	Half Day Withdrawal Deadline	Assets eligible as collateral	Full Day Depositing Deadline	Half Day Depositing Deadline	Full Day Withdrawal Deadline	Half Day Withdrawal Deadline
Cash Turkish Lira	17:30	13:00	15:40	11:40	Cash Turkish Lira	18:15	12:45	15:40	11:40
Convertible Foreign Currency (USD/EUR)	17:30	13:00	17:00	12:00	Convertible Foreign Currency (USD/EUR)	18:15	12:45	18:15	12:45
Government Domestic Debt Securities	17:30	13:00	17:30	13:00	Government Domestic Debt Securities	18:15	12:45	18:15	12:45
Republic of Turkey Undersecretariat of Treasury Foreign Debt Securities (Eurobond)	17:30	13:00	17:30	13:00	Republic of Turkey Undersecretariat of Treasury Foreign Debt Securities (Eurobond)	18:15	12:45	18:15	12:45
Lease certificates	17:30	13:00	17:30	13:00	Lease certificates	18:15	12:45	18:15	12:45

issued by the Republic of Turkey Undersecretariat of Treasury, Asset Leasing Company					issued by the Republic of Turkey Undersecretariat of Treasury, Asset Leasing Company				
Share Certificates (BIST 100)	17:30	13:00	17:30	13:00	Share Certificates (BIST 100)	18:15	12:45	18:15	12:45
Equity Umbrella Fund Shares	17:30	13:00	17:30	13:00	Equity Umbrella Fund Shares	18:15	12:45	18:15	12:45
Debt Instruments Umbrella Fund Shares	17:30	13:00	17:30	13:00	Debt Instruments Umbrella Fund Shares	18:15	12:45	18:15	12:45
Current					New				
Offsetting transactions between the markets ARTICLE 32 – (5) Cash offsetting instructions must be delivered electronically to Takasbank at the latest until; a) 14:30 on the business days and 11:45 for the half days between Debt Instruments Market / Equity Market / Equity Repo Market / Borsa Istanbul Money Market b) 15:45 on the business days and 11:45 for the half days between Takasbank Money Market and other markets/marketplaces					Offsetting transactions between the markets ARTICLE 32 – (5) Cash offsetting instructions must be delivered electronically to Takasbank at the latest until; a) 14:30 on the business days between Debt Instruments Market / Equity Market / Equity Repo Market / Borsa Istanbul Money Market b) 15:45 on the business days between Takasbank Money Market and other markets/marketplaces				
Bilateral methods					Bilateral methods				

ARTICLE 83- (1) Bilateral transactions can be executed in normal, partial and clearing defined settlement. Chain transactions can be generated with the normal Bilateral instructions.

(a) A normal Bilateral transaction is executed simultaneously with the fulfillment by the members of their cash and security obligations.

(b) In order for a partial Bilateral transaction to be executed, both parties should define the partial transaction option while entering the instruction or the transactions not entered in a partial manner should be made partial thereafter by both members of the transaction.

(c) A partial Bilateral transaction is executed in a partial manner pro rata to the obligation being fulfilled as cash and securities.

(ç) Clearing defined Bilaterals: Settlement obligations may be fulfilled through the bilateral cash/security receivables and bilateral obligations may be fulfilled through the released cash/security settlement receivables. However, only one party of the bilateral transaction

(d) A chain can be generated with an intent to close any cash/security payable of another Bilateral transaction with the cash/security to be received against a Bilateral transaction. The chain-generating member facilitates completion of the transactions by fulfilling its obligations over the net balance.

ARTICLE 83- Bilateral transactions can be executed in normal and partial settlement. Chain transactions can be generated with the normal Bilateral instructions.

(a) A normal Bilateral transaction is executed simultaneously with the fulfillment by the members of their cash and security obligations.

(b) In order for a partial Bilateral transaction to be executed, both parties should define the partial transaction option while entering the instruction or the transactions not entered in a partial manner should be made partial thereafter by both members of the transaction.

(c) A partial Bilateral transaction is executed in a partial manner pro rata to the obligation being fulfilled as cash and securities.

(ç) A chain can be generated with an intent to close any cash/security payable of another Bilateral transaction with the cash/security to be received against a Bilateral transaction. The chain-generating member facilitates completion of the transactions by fulfilling its obligations over the net balance.

