

EQUITY AND DEBT SECURITIES CLEARING & SETTLEMENT TEAM

Subject: Istanbul Clearing, Settlement and Custody Bank Inc. Borsa Istanbul Inc.
Debt Securities Market Clearing and Settlement and Central Counterparty
Service Principles Amendments

Related participants: CBRT
Brokerage Firms
Banks

Dear General Manager,

As is known, Borsa İstanbul A.Ş. with the transition of the BISTECH system in the Debt Securities Market, our Bank will begin providing Central Counterpart Services. Borsa Istanbul Inc. Debt Securities Market Clearing and Settlement and Central Counterparty Service Principles Draft "(Procedure) which determines the principles of implementation and will come into force with the transition was announced with dated 06.04.2018 and numbered 1416 our Bank's General Letter and published in Turkish and English (www.takasbank.com, Rules & Regulations / Procedures / Borsa Istanbul Inc. Debt Securities Market Clearing and Settlement and Central Counterparty Service Principles (After BISTECH Transition)). Updates will be made in the published procedure and the regulations will enter into force with the transition of Bistech.

The changes made in the procedure are summarized in the attached table (Annex), and the final version of the procedure is available at our bank's website (www.takasbank.com, Rules & Regulations / Procedures / Borsa Istanbul Inc. Debt Securities Market Clearing and Settlement and Central Counterparty Service Principles (After BISTECH Transition)).

Respectfully submitted for your information and further action.
Sincerely yours,

TAKASBANK
İSTANBUL TAKAS VE SAKLAMA BANKASI A.Ş.

GÖKHAN ELİBOL
EXECUTIVE VICE PRESIDENT

MAHMUT KAYACIK
CEO AND BOARD
MEMBER

Annex: Comparative Change Table (2 pages)

Article– Previous	Article– Current																																																						
<p>ARTICLE 61- Assets Eligible as Contribution to the Guarantee Fund and the Obligation to Restore Contribution Amount</p> <p>(1) Assets eligible as contribution to the guarantee fund and the composition limits thereof are given in the following table. Takasbank Board of Directors is authorized to revise the composition limits of the assets to be accepted as guarantee fund contribution according to the market conditions and set composition limits for the new assets.</p> <table border="1" data-bbox="60 595 783 1420"> <thead> <tr> <th>Assets Eligible to Guarantee Fund</th> <th>Group Limit</th> <th>Sub-Group Limit (as percentage of Group Limit)</th> </tr> </thead> <tbody> <tr> <td>Cash Turkish Lira</td> <td>Max. 100%</td> <td>-</td> </tr> <tr> <td>Convertible Foreign Currency (USD/EUR)</td> <td>Max. 100%</td> <td>-</td> </tr> <tr> <td>Government Domestic Debt Securities</td> <td>Max. 100%</td> <td>50% (on ISIN basis)</td> </tr> <tr> <td>Republic of Turkey Undersecretariat of Treasury Foreign Debt Securities (Eurobond - FX Sukuk)</td> <td>Max. 90%</td> <td>20% (on ISIN basis)</td> </tr> <tr> <td>Sukuks issued by the Republic of Turkey Undersecretariat of Treasury, Asset Leasing Company</td> <td>Max. 90%</td> <td>20% (on ISIN basis)</td> </tr> <tr> <td>Equities (included in BIST100 index)</td> <td>Max. 40%</td> <td>20%</td> </tr> <tr> <td>Equity Umbrella Fund Shares</td> <td>Max. 40%</td> <td>20%</td> </tr> <tr> <td>Debt Securities Umbrella Fund Shares</td> <td>Max. 20%</td> <td>20%</td> </tr> </tbody> </table>	Assets Eligible to Guarantee Fund	Group Limit	Sub-Group Limit (as percentage of Group Limit)	Cash Turkish Lira	Max. 100%	-	Convertible Foreign Currency (USD/EUR)	Max. 100%	-	Government Domestic Debt Securities	Max. 100%	50% (on ISIN basis)	Republic of Turkey Undersecretariat of Treasury Foreign Debt Securities (Eurobond - FX Sukuk)	Max. 90%	20% (on ISIN basis)	Sukuks issued by the Republic of Turkey Undersecretariat of Treasury, Asset Leasing Company	Max. 90%	20% (on ISIN basis)	Equities (included in BIST100 index)	Max. 40%	20%	Equity Umbrella Fund Shares	Max. 40%	20%	Debt Securities Umbrella Fund Shares	Max. 20%	20%	<p>ARTICLE 61- Assets Eligible as Contribution to the Guarantee Fund and the Obligation to Restore Contribution Amount</p> <p>(1) Assets eligible as contribution to the guarantee fund and the composition limits thereof are given in the following table. Takasbank Board of Directors is authorized to revise the composition limits of the assets to be accepted as guarantee fund contribution according to the market conditions and set composition limits for the new assets.</p> <table border="1" data-bbox="805 595 1528 1384"> <thead> <tr> <th>Assets Eligible to Guarantee Fund</th> <th>Group Limit</th> <th>Sub-Group Limit (as percentage of Group Limit)</th> </tr> </thead> <tbody> <tr> <td>Cash Turkish Lira</td> <td>Max. 100%</td> <td>-</td> </tr> <tr> <td>Convertible Foreign Currency (USD/EUR)</td> <td>Max. 100%</td> <td>-</td> </tr> <tr> <td>Government Domestic Debt Securities</td> <td>Max. 100%</td> <td>50% (on ISIN basis)</td> </tr> <tr> <td>Republic of Turkey Undersecretariat of Treasury Foreign Debt Securities (Eurobond - FX Sukuk)</td> <td>Max. 90%</td> <td>20% (on ISIN basis)</td> </tr> <tr> <td>Sukuks issued by the Republic of Turkey Undersecretariat of Treasury, Asset Leasing Company</td> <td>Max. 90%</td> <td>20% (on ISIN basis)</td> </tr> <tr> <td>Equities (included in BIST100 index)</td> <td>Max. 20%</td> <td>20%</td> </tr> <tr> <td>Equity Umbrella Fund Shares</td> <td>Max. 40%</td> <td>20%</td> </tr> <tr> <td>Debt Securities Umbrella Fund Shares</td> <td>Max. 40%</td> <td>20%</td> </tr> </tbody> </table>	Assets Eligible to Guarantee Fund	Group Limit	Sub-Group Limit (as percentage of Group Limit)	Cash Turkish Lira	Max. 100%	-	Convertible Foreign Currency (USD/EUR)	Max. 100%	-	Government Domestic Debt Securities	Max. 100%	50% (on ISIN basis)	Republic of Turkey Undersecretariat of Treasury Foreign Debt Securities (Eurobond - FX Sukuk)	Max. 90%	20% (on ISIN basis)	Sukuks issued by the Republic of Turkey Undersecretariat of Treasury, Asset Leasing Company	Max. 90%	20% (on ISIN basis)	Equities (included in BIST100 index)	Max. 20%	20%	Equity Umbrella Fund Shares	Max. 40%	20%	Debt Securities Umbrella Fund Shares	Max. 40%	20%
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	of Guarantee Status Inquiry” system developed by the Kredi Kayıt Bürosu.
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