

**CASH OPERATIONS DEPARTMENT**

**Subject:** About Carrying Out of Cheque Clearing Activities by Takasbank  
**About:** CBRT  
Banks

Dear General Manager,

With the Regulation on Cheque Clearing and Settlement Operations published in the Official Gazette dated 09/06/2018 and numbered 30446, Takasbank has been accepted as the institution to carry out cheque clearing activities as of 2 July 2018.

Takasbank which has a strong and technological infrastructure, currently providing clearing, collateral and cash management services in many markets and defined within the scope of law as one of the Payment and Securities Settlement Systems, will continue to provide cheque clearing activities in the most effective manner within the scope of the authority granted by the regulation..

In this context; details of the carrying out of cheque clearing activities by Takasbank are given below.

**A. Membership**

In the article 7 of the regulation: the provision, “The reciprocal rights and obligations of the institution and the participants are clearly defined in the system agreement. Participants except banks, sign the uniform system agreement prepared by the institution” is included and our members will be able to access ; “Cheque Clearing Operations System Agreement” and : “Cheque Clearing Operations System Pre-Contract Information Form” which are prepared under this provision on Takasbank website following the link <https://www.takasbank.com.tr/tr/uyelik/takasbank-cek-takas-sistemi>

Explanations about the user identification, password and authorization procedures for our members in order to access the system is included in Annex-1 document, the form which will contain institutional fixed IP information in order to be able to connect to our Bank systems is included in Annex-2 document, the form which contains the declaration that the users are authorized and the information of the users is included in the Annex-3 and Annex-4 documents.

Our members are required to receive System Agreement and Cheque Clearing Operations System Pre-Contract Information Form by hand from the Member Relations Team as of **June 13, 2018** and deliver those documents together with the declaration and forms included in Annex-2, Annex-3 and Annex-4 as signed **until 29 June 2018**.

The signing of all contractual declarations and information forms by the member’s authorized signatories (wet signature) without any authority limitation according to the signature circulars

regarding business and transactions of our bank is obligatory in terms of the quality of the work.

Within the frame of the provision of entitled "**Commencement of Operations by The Participant**" in the 8th article of the System Rules, "The participant whose participation application has been accepted, in order to be able to start their activities at Takasbank, has to deposit participation collateral to the system within 1 month at the latest from the notification of the application approval, our members have to deposit the membership (participation) collateral amounting to 5000 TL as of the date of participation in the system. After this amount has been transferred to free current accounts numbered 11, it will be transferred to the CEKUY-Participation Collateral, collateral account by us.

## **B. System Rules**

The provision, in the 8th article of the Regulation, entitled "System Rules", "Procedures and principles regarding operations and practices which ensure that the clearing and settlement operations are carried out in a smooth manner within the framework of the regulations set forth in this Regulation shall be determined by the institution in the system rules. System rules are notified to all participants by the institution" is included. In this framework, the system rules covering the principles of Takasbank and its participants regarding system participation, clearing, settlement and risk management transactions "Istanbul Clearing, Settlement and Custody Bank Inc. Cheque Clearing, Clearing, Settlement and Risk Management System Rules (System Rules)" (Annex 5) has been prepared and will be accessible on Takasbank website with the link <https://www.takasbank.com.tr/tr/mevzuat/takasbank-cek-takas-sistemi-sistem-kurallari>

The cheque clearing activity detailed in the the system rules will be carried out under 3 main functions; clearing, settlement and guarantee mechanism contribution transactions.

- Clearing and return transactions will continue to be performed by using existing Interbank Check Clearing House software and screens.
- In the current situation, the settlement transactions realized at the Central Bank Ankara Branch, will be realized by using the ÇEKTK settlement accounts opened for each bank at Takasbank and it will be followed up through Takasbank web menu.
- Guarantee mechanism contribution operations will be realized through the screens prepared on the Takasbank web menu and it will be followed through the collateral accounts opened for each bank by Takasbank. TL denominated collaterals will be followed in CEKNT account, foreign currency denominated collaterals will be followed in CEKFX account, "Government Domestic Debt Securities" and "The Lease Certificates issued by the Republic of Turkey Undersecretariat of Treasury, Asset Leasing Company" denominated collaterals will be followed and reported in 090 depot.

As of 02/07/2018, Ankara and Istanbul Operations Centers will continue their activities for notification of clearing and return packages and there will be no change in the current process and communication. Settlement and guarantee mechanism contribution operations will be carried out by The Cheque Clearing Operations Team and Central Counterparty Department by the Takasbank General Directorate, contact information is shared for your questions concerning to the subject in Annex:6.

As of 02/07/2018 the authorization transaction fee paid by the banks to counterparty banks will be removed. For this reason improvements to remove authorization transaction fee in our members' systems need to be completed by 02/07/2018.

According to the criteria set out in the Cheque Clearing Systems User Guide, the transmission rate of the front faces of the cheque images submitted to the clearing house shall need to be 90% image transmission rate as of 2 July 2018. Participants who are below the image transmission rate shall not request images from the counterparty bank until they reach 90% image transmission rate as in the present situation. Amendments on image transmission rate will be announced to the members by general letters.

Guides on transactions of clearing and return transactions that will continue with the existing ICCH applications and settlement and guarantee mechanism operations, will be accessible on Takasbank website with the link <https://www.takasbank.com.tr/tr/kaynaklar/kilavuzlar>

In the fourth paragraph of Article 37, entitled “**Default Interest**” determining the basis for the default of System Rules, the provision: “Lower and upper limits shall be applied to the pre-default interests. These limits shall be determined by the Board of Directors by taking account of the revaluation rate published by the Ministry of Finance each year.” is included. In this scope; as of 02/07/2018, the minimum and maximum default interest amounts shall be applied as stated in the following table.

MARKET	DEFAULT INTEREST
CHEQUE CLEARING	LOWER LIMIT: 25 TRY
	(If the calculated default interest is less than 25 TRY, 25 TRY will be charged.)
	UPPER LIMIT: 450.000 TRY
	(If the calculated default interest exceeds 450.000 TRY, 450.000 TRY will be charged.)
	(12:00-EFT Closing Time )

### C. Guarantee Mechanism Contribution Operations

As of 02/07/2018, “The Guarantee Mechanism” –of which details are included in the System Rules- will start up, before migration in order for the participant (member) banks to know in advance the amount of the guarantee mechanism and prepare accordingly the guarantee mechanism contribution fee to be deposited regarding July will also be notified to participant banks by e-mail on 22.06.2018 at the latest.

Within this scope, our members are expected to keep the guarantee mechanism contribution amount declared to them at Takasbank until 11:00 a.m. on 02/07/2018.

The amount which will be valid during July will be calculated by dividing the amount of each participant bank's net debts by the number of working days in the relevant period between 01/06/2017-31/05/2018 and will not change during July. The next calculation will be carried out for the August period and the net debt data will be used for the period 01/08/2017-31/07/2018.

Assets subject to guarantee mechanism deposited by members will be revalued with current prices at the end of each working day and if the amount of the valuated collateral falls under the guarantee mechanism contribution amount to be established by the member, a margin call will be made for the related member. The members will be able to watch the margin call from the related Takasbank Cheque Project screens.

#### **D. Web Site**

As of July 2018, the ICCH Website will not be used,

- All kinds of information and documents about the cheque clearing activity,
- BetsOnline application for clearing and return transactions

can be accessed from Takasbank Web site [www.takasbank.com.tr](http://www.takasbank.com.tr)

**E. Applications**The **BETSONline** application used for clearing and return transactions can be accessed by clicking on the “**CHEQUE CLEARING MEMBER ENTRY BETSONLINE**” button under the “**MEMBER ENTRY**” tab at [www.takasbank.com.tr](http://www.takasbank.com.tr) web address.

The members, who will connect to the settlement and guarantee mechanism contribution operations via internet, have to enter the user codes and passwords given by Takasbank on “**Takasbank Member Entry**” menu under the **MEMBER ENTRY** tab on [www.takasbank.com.tr](http://www.takasbank.com.tr) “**Cheque Clearing Operations**” application will be reached from the ‘Payment Transactions’ submenu.

Computers to be used for applications must have at least the following hardware and operating system features:

- a) Operating System: Windows 7 or higher
- b) Memory: 4 GB (minimum)
- c) Processor: 1.3 GHz (minimum)
- d) Hard Disk: 10 GB (minimum free disk space on hard disk)
- e) Monitor: Supporting screen resolution of 1280 x 1024 screen (Minimum)

The following programs must be installed on the computers of which the applications will be used:

- f) Internet Explorer 9 or higher
- g) At least 10.3 or higher version of the Adobe Flash Player plugin
- h) At least 9.3 or higher version of Adobe Acrobat Reader

#### **F. Fees**

Fees to be collected from our members within the scope of the mentioned activity are collected under 4 main headings: clearing fees, membership fees, collateral custody fees and transfer fees.

Details of the fees are given in Annex-7 and our members will also be able to access them from our Bank's web site with the link <https://www.takasbank.com.tr/tr/mevzuat/ucret-tarifeleri>

#### **G. Considerations Needed to Pay Attention to Members in Transition Process**

- The latest clearing packages of Friday, 29/06/2018 will be accepted In the ICCH system and after the completion of the return and netting of this operations, Monday, 02/07/2018 clearing packages will begin to be accepted in the system operated by Takasbank and there will be no change in application and access addresses.
- Debts and receivables related to the cheques submitted to the ICCH system on 29/06/2018 Friday will be realized via settlement account held with Takasbank on Monday 02/07/2018. Settlement accounts will be opened before the migration on behalf of the members by our Bank and our members will get the IBAN information of their CEKTK settlement account from Takasbank member web menu / Member Account Information / Bank Statement by choosing “CEKTK” account type.
- Members who will not request accrued interest for TRY cash amounts given within the scope of guarantee mechanism contribution and participation collateral, shall hand in original written instructions to Takasbank signed by the authorities with the greatest authority of signature stating the unacceptance of accrued interest until 29/06/2018. Otherwise, the member will be considered as requesting accrued interest.
- As of the date of migration, the definition of the receivable distribution method will be defined as “Free (TIC)” accounts held with CBRT for all banks and members who want to use a different method of receivable distribution will be able to make change after the completion of the settlement on 02/07/2018.

Respectfully submitted for your information and further action.

Sincerely yours,

**TAKASBANK**  
**ISTANBUL SETTLEMENT AND CUSTODY BANK INC.**

**GÖKHAN ELİBOL**  
**EXECUTIVE VICE PRESIDENT**

**MAHMUT KAYACIK**  
**CEO**  
**BOARD MEMBER**

Annex:

- 1- USER IDENTIFICATION PASSWORD AND AUTHORIZATION PROCEDURES
- 2- (2 pages)
- 2- IP ADDRESS FORM (1 page)
- 3- MEMBER USER DECLARATION (1 page)
- 4- MEMBER USER'S INFORMATION FORM (1 page)
- 5- CHEQUE CLEARING, CLEARING, SETTLEMENT and RISK MANAGEMENT SYSTEM RULES (25 pages)
- 6- CHEQUE CLEARING OPERATIONS CONTACT LIST
- 7- CHEQUE CLEARING FEE TARIFF