



**General Letter: 1440**  
**Markets Department / Securities Lending Markets Team**

**Istanbul, 27/06/2018**

**Subject:** About the Changes in the Procedure on the Application Principles of Securities Lending Market (SLM)

**Reference :** Brokerage Houses  
Banks

Dear CEO,

Amendments have been made in the provisions on default for the purpose of more efficient execution of the default process related with our Bank's SLM service, considering also the requests received from our members.

As with the current practice, in case that the asset cannot be returned by Takasbank to the lender on the due date of settlement due to default related with assets and the lender does not request for a cash consideration; Takasbank tries to procure the related asset from the markets or from the order of default in five business days on a best-efforts basis. Revisions related with the shortening of the said 5-day period and the price to be used in calculation of the amount payable to the lender in case of a failure to procure the asset have been made in the sixth paragraph of Article 46 entitled "**Default provisions**" as specified in the Procedure on Application Principles of SLM.

In addition, since the theoretical price to be determined by using Takasbank yield curve shall be used in the valuation of collaterals for government bonds and treasury bills instead of "Current Bond Ratios" upon commissioning of BISTECH system in Borsa Istanbul A.Ş. (Istanbul Stock Exchange) Debt Instruments Market; an amendment has also been made in the second paragraph of article 31 entitled "**Collateral and risk valuation method**" within the Procedure on Application Principles of the SLM.

The changes/amendments mentioned above will be put into application on **02 July 2018**; and the "**Procedure on the Application Principles of Takasbank Securities Lending Market**" revised with such changes shall be made available via our Bank's website ([www.takasbank.com.tr](http://www.takasbank.com.tr)) as of the same date.

Respectfully submitted for your information and further action.

Sincerely yours,

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

**Gökhan ELİBOL**  
**Executive Vice President**

**Mahmut KAYACIK**  
**CEO and**  
**Board Member**