

Istanbul, 25/04/2019

General Letter: 1550
Equities and Debt Securities Clearing & Settlement Team

Subject: SWAP Market Netting Principle
Related Parties: Banks

Dear General Manager,

As known, it has been announced to our members that netting principle shall be applied for the transactions conducted in the market as of 29.04.2019 and our regulations have been amended accordingly.

Within this context, it is important that our members take into consideration below mentioned steps in order not to encounter any problem.

- Transactions with Value2 date on 29/04/2019 and Value1 date on 29/04/2019 shall be netted. For this reason, members having net settlement obligation shall cover their settlement obligation via “Debt Closure” menu.
- Receivables shall be released proportionally with the debt closure time.
- EFT and SWIFT transfers shall be performed after all of the receivables are released unless otherwise is requested by the members.
- Settlement report before the “netting” is provided from the “SWAP Settlement Report old” menu and the settlement report after “netting” is provided from the “SWAP Net Settlement Report”

Furthermore, due to the members’ requests, members are provided with the opportunity of debt coverage with the excess collateral. It is required that members having excess collateral shall choose the “SWPNT” account type on the debt coverage menu so as to fulfill their settlement obligation. No debt coverage shall be made via SWPNT account after the interest accrual cut-off 15:40.

Development shall enter into force as of 29.04.2019.

Respectfully submitted.

Sincerely Yours,

TAKASBANK
İSTANBUL SETTLEMENT AND CUSTODY BANK INC.

Beyhan ARASAN
Director

Gökhan ELİBOL
Deputy CEO