

**General Letter: 1586**

**İstanbul, 30/09/2019**

**Equities and Debt Securities Clearing & Settlement Team**

**Subject:** About the Acceptance of Electronic Letters of Guarantee for BİAŞ Debt Securities Market Collateral and Guarantee Fund Contribution

**Related Parties:** Brokerage Houses  
Banks  
Participation Banks

Dear CEO,

As know, letters of guarantee issued on paper are accepted as collateral and guarantee fund contribution for BİAŞ Debt Securities Market (Market). Upon the submit of the letter of guarantee, Takasbank obtains written consent regarding the letter from the issuer Bank's Head Office using the "Status Inquiry of Letter of Guarantee" system developed by Credit Reference Agency of Turkey (KBB).

By virtue of the amendment to the Electronic Signature Law No. 5070, it has become possible to issue letters of guarantee in electronic environment. Furthermore, KKB has developed and launched the Electronic Letter of Guarantee Platform (ETMP) to transfer the letters of guarantee issued by banks to the electronic platform and to execute the transactions to be made in the electronic environment throughout the life cycle of the letter.

Infrastructural developments required regarding the acceptance of the e-letter of guarantee as collateral have been finalized and e-letters of guarantee have become eligible as collateral and guarantee fund contribution.

Within this scope, "Borsa Istanbul Inc. Debt Securities Market Clearing and Settlement and Central Counterparty Service Principles Comparison Table" presenting the amendments made to the procedure is annexed and related amendments shall put into practice as of 30.09.2019. Latest version of the procedure is accessible on our Bank website. ([www.takasbank.com.tr](http://www.takasbank.com.tr))

Sincerely yours,

**TAKASBANK**

**İSTANBUL CLEARING AND CUSTODY BANK INC**

**Serkan AŞKAR**  
**EXECUTIVE VICE PRESIDENT**

**Gökhan ELİBOL**  
**Deputy CEO**  
**Board Member**

Annex: Borsa Istanbul Inc. Debt Securities Market Clearing and Settlement and Central Counterparty Service Principles Comparison Table

Article Content- Old	Article Content-New
<p><b>Temporary Provisions</b> <b>Article 98-</b> (4) The form and scope of the guarantee letters must be prepared in a compatible manner with the template designated and announced to the members by Takasbank</p> <p>(9) Letters shall be accepted as collateral by Takasbank upon receipt from the issuer bank’s Head Office of a written confirmation for the letter and the signature circular of those signing the confirmation letter and the signature circular of those signing the confirmation letter. Moreover, the letters shall be accepted as collateral in case that there is an active risk record in the issuer bank as a result of query performed on the “Letter of Guarantee Status Inquiry” system developed by the Kredi Kayıt Bürosu.</p>	<p><b>Temporary Provisions</b> <b>Article 98-</b> (4) The form and scope of the guarantee letters must be prepared in a compatible manner <u>either in paper or electronic format</u> with the template designated and announced to the members by Takasbank.</p> <p>(9) Letters <u>submitted as paper format</u> shall be accepted as collateral by Takasbank upon receipt from the issuer bank’s Head Office of a written confirmation for the letter and the signature circular of those signing the confirmation letter and the signature circular of those signing the confirmation letter. Moreover, the letters shall be accepted as collateral in case that there is an active risk record in the issuer bank as a result of query performed on the “Letter of Guarantee Status Inquiry” <u>(TMDS)</u> system developed by the Kredi Kayıt Bürosu.</p> <p>(14) <u>E-letters of guarantee are controlled on the “Electronic Letter of Guarantee Platform (ETMP)” developed and operated by the Credit Reference Agency of Turkey and accepted as collateral upon satisfying the required conditions.</u></p>