

General Letter: 1607
Money Market Team

Istanbul, 31/12/2019

Subject: About the Amendments in Collateral Valuation of Euro Bond, and Default Interest Upper Limit in Takasbank Money Market (TMM)

Related Parties: Brokerage Houses
Banks
Financial Institutions
Insurance, Life and Pension Companies
Asset Management Companies

Dear CEO,

The price used in the valuation of Euro bonds subject to collateral will be adjusted in order to comply with the markets where Central Counterparty Service is provided by Takasbank.

Besides, the maximum default interest rate, which should be updated every year according to the revaluation rate, has been calculated as specified in the Procedure according to the revaluation rate announced as 22.58% for 2020.

The comparison table about updates is enclosed, related changes shall be put into effect on 2 January 2020. As of the same date, TMM Procedure revised with changes mentioned above can be accessible via our Bank's website (www.takasbank.com.tr).

Respectfully submitted for your information and further action.

Sincerely yours,

TAKASBANK
ISTANBUL CLEARING, SETTLEMENT AND CUSTODY BANK
INC.

Emre KOÇBEY
DIRECTOR

Gökhan ELİBOL
DEPUTY CEO
BOARD MEMBER

Annex: TMM Procedure Change Comparison Table (1 page)

Annex: TMM Procedure Change Comparison Table

ARTICLE CONTENT-OLD	ARTICLE CONTENT-NEW
<p>ARTICLE 29- Collateral valuation</p> <p>(1) Takasbank performs the valuation of collaterals at the end of each day in accordance with the prices set forth below:</p> <p>.....</p> <p>d) For euro bond; Bloomberg Generic Price (BGN) announced by Bloomberg at 05:00 p.m.; and should such price be unavailable, the theoretical price to be calculated by Takasbank.</p>	<p>ARTICLE 29- Collateral valuation</p> <p>(1) Takasbank performs the valuation of collaterals at the end of each day in accordance with the prices set forth below:</p> <p>.....</p> <p>d) For euro bond; <u>the theoretical price to be determined by using Takasbank yield curve on the day the valuation is effected.</u>Bloomberg Generic Price (BGN) announced by Bloomberg at 05:00 p.m.; and should such price be unavailable, the theoretical price to be calculated by Takasbank.</p>
<p>ARTICLE 38- Default interest</p> <p>.....</p> <p>(5) For the debts paid until 16:30 or until 12:30 on half-business days due to official holidays, the default interest upper limit is 8,550- TRY + BITT.</p> <p>(6) The upper limit is increased at the revaluation rate determined every year and rounded to the next 50-TRY tranche.</p>	<p>ARTICLE 38- Default interest</p> <p>.....</p> <p>(5) For the debts paid until 16:30 or until 12:30 on half-business days due to official holidays, the default interest upper limit is <u>8,55010,500</u>- TRY + BITT.</p> <p>(6) The upper limit is increased at the revaluation rate determined every year and rounded to the next 50-TRY tranche.</p>