

**General Letter: 1630**  
**Money Market Team**

**Istanbul, 07/05/2020**

**Subject:** About Changes in "Asset Based Upper Limit Ratios" Used in Collateral Valuation in Takasbank Money Market

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

Dear CEO,

As you know, within the scope of the new risk, collateral and default management practice launched on April 27, 2020 in the Takasbank Money Market (TMM), our members are required to hold a compulsory margin other than a letter of guarantee.

The asset-based upper limit ratios of government domestic debt instruments, eurobonds and lease certificates deposited for only compulsory collateral has been temporarily revised in order to make our members adaption to the new collateral structure easily and complete their compulsory margins.

The comparison table regarding the updates is annexed and the relevant changes shall be implemented on **May 08, 2020**. As of the same date, the Takasbank Money Market Procedure including the change will be accessible via our Bank's website ([www.takasbank.com.tr](http://www.takasbank.com.tr)).

Respectfully submitted for your information and further action.

Sincerely yours,

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

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

**Gökhan ELİBOL**  
**DEPUTY CEO**  
**BOARD MEMBER**

Annex: TMM Procedure Change Comparison Table (3 page)

### TMM Procedure Change Comparison Table

ARTICLE CONTENT-OLD						ARTICLE CONTENT-NEW					
<b>ARTICLE 28- Collateral groups, valuation haircuts and upper limit ratios</b>						<b>ARTICLE 28- Collateral groups, valuation haircuts and upper limit ratios</b>					
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(3) The collateral groups, haircuts, group and upper limit ratios on the basis of assets to be used for the collateral valuation are given below:						(3) The collateral groups, haircuts, group and upper limit ratios on the basis of assets to be used for the collateral valuation are given below:					
Collateral Group	Collateral Type	Time to Maturity	Valuation Haircut	Group Based Upper Limit Ratio (%)	Asset Based Upper Limit Ratio (%)	Collateral Group	Collateral Type	Time to Maturity	Valuation Haircut	Group Based Upper Limit Ratio (%)	Asset Based Upper Limit Ratio (%)
1	Gold		0,90	25,00	100,00	1	Gold		0,90	25,00	100,00
2	Borsa İstanbul share		1,00	100,00	100,00	2	Borsa İstanbul share		1,00	100,00	100,00
3	Government Domestic Debt Instrument	0-1 year	0,96	100,00	35,00	3	Government Domestic Debt Instrument	0-1 year	0,96	100,00	<del>35</del> 100,00
		1-5 year	0,91					0,91			
		5 years and more	0,91					0,91			
4	Eurobond / Government Domestic Debt	0-5 year	0,92	100,00	35,00	4	Eurobond / Government Domestic Debt	0-5 year	0,92	100,00	<del>35</del> 100,00
		5-10 year	0,93					0,93			
		10-30 year	0,89					0,89			

	Instruments -USD denominated	30 year and more	0,86				Instruments - USD denominated	30 year and more	0,86			
4	Eurobond / Government Domestic Debt Instruments -EUR denominated	0-5 year	0,92	100,00	35,00		4	Eurobond / Government Domestic Debt Instruments - EUR denominated	0-5 year	0,92	100,00	<del>35</del> 100,00
		5-10 year	0,91						5-10 year	0,91		
		10-30 year	0,88						10-30 year	0,88		
		30 year and more	0,85						30 year and more	0,85		
5	Lease Certificate	0-1 year	0,94	50,00	40,00		5	Lease Certificate	0-1 year	0,94	50,00	<del>40</del> 100,00
		1-5 year	0,89						1-5 year	0,89		
		5 year and more	0,89						5 year and more	0,89		
6	Share		0,85	90,00	20,00		6	Share		0,85	90,00	20,00
7	Cash-EUR		0,94	100,00	100,00		7	Cash-EUR		0,94	100,00	100,00
7	Cash- USD		0,94	100,00	100,00		7	Cash- USD		0,94	100,00	100,00
8	Cash-TL		1,00	100,00	100,00		8	Cash-TL		1,00	100,00	100,00
9	Bank Bond / Bill		0,73	50,00	40,00		9	Bank Bond / Bill		0,73	50,00	40,00
10	Letter of Guarantee		1,00	100,00	100,00		10	Letter of Guarantee		1,00	100,00	100,00

11	Asset-Backed Security	0-1 year	0,94	50,00	40,00	11	Asset-Backed Security	0-1 year	0,94	50,00	40,00
		1-5 year	0,89					1-5 year	0,89		
		5 year and more	0,89					5 year and more	0,89		
12	Investment Fund Participation Certificate		0,84	50,00	20,00	12	Investment Fund Participation Certificate		0,84	50,00	20,00