

**General Letter: 1656**  
**Money Market Team**

**Istanbul, 11/11/2020**

**Subject:** About the Changes in Haircuts and Upper Limit Ratios used in Collateral Valuation at Takasbank Money Market (TMM)

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

Dear CEO,

Takasbank reviews periodically the valuation haircuts and upper limit ratios of assets accepted as collateral in TMM and revises them if deemed necessary. Within this context, in order to align with the markets that Takasbank serves as either CCP or central clearing, the haircuts and upper limit ratios of collaterals will be changed.

The comparison table regarding the updates is annexed and the relevant changes will be put into practice on 12/11/2020. As of the same date, Takasbank Money Market Procedure including the updates will be accessible on Takasbank web site ([www.takasbank.com.tr](http://www.takasbank.com.tr)).

Respectfully submitted for your information and further action.

Sincerely yours,

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

**Emre KOÇBEY**  
**DIRECTOR**

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

Annex: TMM Procedure Change Comparison Table (4 page)

### TMM Procedure Change Comparison Table

ARTICLE CONTENT-OLD (08/05/2020)						ARTICLE CONTENT-NEW (12/11/2020)					
<b>ARTICLE 28- Collateral groups, valuation haircuts and upper limit ratios</b>						<b>ARTICLE 28- Collateral groups, valuation haircuts and upper limit ratios</b>					
.....						.....					
(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	100,00	3	Government Domestic Debt Instrument	0-1 year	0,96	100,00	100,00
		1-5 year	0,91					1-5 year	0,91		
		5 years and more	0,91					5 years and more	0, <del>8891</del>		
4	Eurobond / Government Domestic Debt	0-5 year	0,92	100,00	100,00	4	Eurobond / Government Domestic Debt	0-5 year	0,92	100,00	100,00
		5-10 year	0,93					5-10 year	0,93		
		10-30 year	0,89					10-30 year	0, <del>8982</del>		

	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	100,00		Eurobond / Government Domestic Debt Instruments - EUR denominated	0-5 year	0,92	100,00	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		Lease Certificate	0-1 year	0,94	<del>100,00</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		Share		0,85	90,00	20,00
7	Cash-EUR		0,94	100,00	100,00		Cash-EUR		0,94	100,00	100,00
7	Cash- USD		0,94	100,00	100,00		Cash- USD		0,94	100,00	100,00
8	Cash-TL		1,00	100,00	100,00		Cash-TL		1,00	100,00	100,00
9	Bank Bond / Bill		0,73	50,00	40,00		Bank Bond / Bill		0,73	50,00	40,00
10	Letter of Guarantee		1,00	100,00	100,00		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
<b>Assets eligible as guarantee fund contribution share</b> <b>ARTICLE 36</b> .....						<b>Assets eligible as guarantee fund contribution share</b> <b>ARTICLE 36</b> .....					

Assets Eligible to Guarantee Fund	Time to Maturity	Group Based Upper Limit Ratio (%)	Asset Based Upper Limit Ratio (%)	Assets Eligible to Guarantee Fund	Time to Maturity	Group Based Upper Limit Ratio (%)	Asset Based Upper Limit Ratio (%)
Gold		25,00	100,00	Gold		25,00	100,00
Borsa İstanbul Share		100,00	100,00	Borsa İstanbul Share		100,00	100,00
Government Domestic Debt Instrument	0-1 year	100,00	35,00	Government Domestic Debt Instrument	0-1 year	100,00	35,00
	1-5 year				1-5 year		
	5 year and more				5 year and more		
Eurobond / Government Domestic Debt Instrument –USD ve EUR denominated	0-5 year	100,00	35,00	Eurobond / Government Domestic Debt Instrument –USD ve EUR denominated	0-5 year	100,00	35,00
	5-10 year				5-10 year		
	10-30 year				10-30 year		
	30 year and more				30 year and more		
Lease Certificate	0-1 year	50,00	40,00	Lease Certificate	0-1 year	50,00	40,00
	1-5 year				1-5 year		
	5 year and more				5 year and more		
Share		90,00	20,00	Share		90,00	20,00
Cash -EUR		100,00	100,00	Cash -EUR		100,00	100,00
Cash -USD		100,00	100,00	Cash -USD		100,00	100,00
Cash -TRY		100,00	100,00	Cash -TRY		100,00	100,00
Bank Bond/ Bill		50,00	40,00	Bank Bond/ Bill		50,00	40,00
Asset-Backed Security	0-1 year	50,00	40,00	Asset-Backed Security	0-1 year	50,00	40,00
	1-5 year				1-5 year		
	5 year and more				5 year and more		
Investment Fund Participation Certificate		50,00	20,00	Investment Fund Participation Certificate		50,00	20,00