

Istanbul, 29/12/2020

General Letter: 1668
Money Market Team

Subject: Takasbank Money Market (TMM) Fee and Commission Tariff and changes in Takasbank Money Market Procedure

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

Dear CEO,

In accordance with the decision taken at the Takasbank Board of Directors meeting dated 24/12/2020, the collateral monitoring and interest accrual fee, which is currently 3% for cash TL collateral and guarantee fund contribution amounts, will be updated as 5%.

The “letter of guarantee safe-keeping fee” will be accrued at an annual rate of 0.01% over the letter of guarantee amount for paper-based and electronically issued letter of guarantees deposited for TMM transactions and Takasbank Cash Credit. In addition, "membership fee" will begin to be received from institutions that are TMM members, and the amount to be received will be 1,000 TRY + BITT per month. “Letter of guarantee safe-keeping fee” and “membership fee” will be accrued monthly and will be collected from the relevant member account. Details of the relevant fees will be included in the fee and commission tariff on Takasbank website.

Also, the grouping and valuation haircuts of the assets subject to collateral were changed in order to comply with the markets where central counterparty service is provided by Takasbank. Besides, if the obligations are fulfilled with delay, the default interest upper limit amount to be applied in 2021 will be 11,500 TRY + BITT. This upper limit will not be applied for the obligations fulfilled after 16.30 on full working days and after 12.30 on half working days.

The comparison table regarding the updates made in the TMM Procedure is annexed and the relevant changes will be put into practice on **04 January 2021**. As of the same date, Takasbank Money Market Procedure including the updates will be accessible on Takasbank web site (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 (3 page)

TMM Procedure Change Comparison Table

ARTICLE CONTENT-OLD (12/11/2020)						ARTICLE CONTENT-NEW (04/01/2021)					
Depositing, withdrawing and replacing collateral ARTICLE 27 (18)For the services provided by Takasbank in relation to the assets held in the collateral accounts, Takasbank commission tariff shall be applied.						Depositing, withdrawing and replacing collateral ARTICLE 27 (18)For the services provided by Takasbank in relation to the assets held in the collateral accounts, Fees and Commission Tariff published on Takasbank commission-tariffwebsite shall be applied.					
Collateral groups, valuation haircuts and upper limit ratios ARTICLE 28						Collateral groups, valuation haircuts and upper limit ratios ARTICLE 28					
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 (TRY, USD ve EUR denominated)	0-1 year	0,96	100,00	100,00
		1-5 year	0,91					1-5 year	0,91		
		5 year and more	0,88					5 year and more	0,88		
4	Eurobond / Government Domestic Debt Instruments -USD denominated	0-5 year	0,92	100,00	100,00	4	Eurobond / Government Domestic Debt Instruments -USD denominated	0-5 year	0,92	100,00	100,00
		5-10 year	0,93					5-10 year	0,93		
		10-30 year	0,82					10-30 year	0,8289		
		30 year and more	0,86					30 year and more	0,86		
4	Eurobond / Government Domestic Debt Instruments -EUR denominated	0-5 year	0,92	100,00	100,00	4	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	0,8882		
		30 year and more	0,85					30 year and more	0,85		

Assets eligible as guarantee fund contribution share
ARTICLE 36

Assets Eligible to Guarantee Fund	Time to Maturity	Group Based Upper Limit Ratio (%)	Asset Based Upper Limit Ratio (%)
Gold		25,00	100,00
Borsa İstanbul Share		100,00	100,00
Government Domestic Debt Instrument	0-1 year	100,00	35,00
	1-5 year		
	5 year and more		
Eurobond / Government Domestic Dept Instrument –USD ve EUR denominated	0-5 year	100,00	35,00
	5-10 year		
	10-30 year		
	30 year and more		

Assets eligible as guarantee fund contribution share
ARTICLE 36

Assets Eligible to Guarantee Fund	Time to Maturity	Group Based Upper Limit Ratio (%)	Asset Based Upper Limit Ratio (%)
Gold		25,00	100,00
Borsa İstanbul Share		100,00	100,00
Government Domestic Debt Instrument (TRY, USD and EUR denominated)	0-1 year	100,00	35,00
	1-5 year		
	5 year and more		
Eurobond / Government Domestic Dept Instrument – USD ve EUR denominated	0-5 year	100,00	35,00
	5-10 year		
	10-30 year		
	30 year and more		

<p>Takasbank commission</p> <p>▲ ARTICLE 46</p> <p>(1) Takasbank commission enters into force by the resolution of the Board of Directors; and be published in Takasbank website.</p> <p>(2) Takasbank commission and 5% BITT over the commission amount shall be collected on the transaction date ex-officio from the current accounts of the parties of the transaction.</p> <ul style="list-style-type: none"> • For the transactions with maturities up to one week including 7 days: Commission = Principal x 0.002% (0.2 basis points) • For other maturities: Commission = Number of Days x (Principal x 0.00025% (0.025 basis points)) <p>(3) Should the Takasbank commission be failed to be paid, the trading authorization of the member shall be abolished until the commission is paid out.</p>	<p>Takasbank commission</p> <p>Fees and Commissions</p> <p>ARTICLE 46</p> <p>(1) <u>Takasbank</u> commission enters into force by the resolution of the Board of Directors; and be published in on <u>Takasbank</u> website.</p> <p>(2) <u>Takasbank</u> commission and 5% BITT over the commission amount shall be collected on the transaction date ex-officio from the current accounts of the parties of the transaction.</p> <ul style="list-style-type: none"> • For the transactions with maturities up to one week including 7 days: Commission = Principal x 0.002% (0.2 basis points) • For other maturities: Commission = Number of Days x (Principal x 0.00025% (0.025 basis points)) <p>(3) TMM membership fee, is collected on a monthly basis together with BITT from all TMM members and announced with Fees and Commission Tariff published on <u>Takasbank</u> website.</p> <p>(3)(4) Should the <u>Takasbank</u> commission and membership fee be failed to be paid, the trading authorization of the member shall be abolished until the commission is paid out.</p> <p>(5) Other fees and commissions are determined by <u>Takasbank</u> and announced with Fees and Commission Tariff published on <u>Takasbank</u> website.</p>
<p>Default interest</p> <p>ARTICLE 49</p> <p>.....</p> <p>(4) Default interest rate shall be applied as;</p> <ul style="list-style-type: none"> • if the debt is paid until 04:30 p.m. or until 12:30 p.m. for half-business days due to official holidays, 50% • if the debt is paid after 04:30 p.m., or after 12:30 p.m. for half-business days due to official holidays, two times of the highest among the average overnight interest rates occurring at <u>Borsa Istanbul Repo-Reverse Repo Market, CBRT Interbank Money Market or Takasbank Money Market</u> for each day. <p>(5) For the partial payment of the defaulted debt on the day of default, the rates and limitations that are effective during the hours when the debt is partially paid shall apply.</p> <p>(6) For the debts paid until 04:30 p.m. on full business days or until 12:30 p.m. on half-business days due to official holidays, the default interest upper limit is determined each year by using the revaluation rate announced by the Ministry of Treasury and Finance and announced to the members before the implementation.</p> <p>(7) The upper limit is increased by the revaluation rate announced by the Ministry of Treasury and Finance every year and rounded to the next 50-TRY tranche.</p>	<p>Default interest</p> <p>ARTICLE 49</p> <p>.....</p> <p>(4) Default interest rate shall be applied as;</p> <ul style="list-style-type: none"> • if the debt is paid until 04:30 p.m. on <u>full business days</u> or until 12:30 p.m. onfor half-business days due to official holidays, 50% • if the debt is paid after 04:30 p.m. on <u>full business days</u>, or after 12:30 p.m. onfor half-business days due to official holidays, two times of the highest among the average overnight interest rates occurring at <u>Borsa Istanbul Repo-Reverse Repo Market, CBRT Interbank Money Market or Takasbank Money Market</u> for each day. <p>(5) For the partial payment of the defaulted debt on the day of default, the rates and limitations that are effective during the hours when the debt is partially paid shall apply.</p> <p>(6) For the debts paid until 46:04:30 p.m. on <u>full business days</u> or until 12:30 p.m. on half-business days due to official holidays, the default interest upper limit is 10,500-TRY + BITTdetermined each year by using the revaluation rate announced by the Ministry of Treasury and Finance and announced to the members before the implementation.</p> <p>(7) The upper limit is increased atby the revaluation rate determinedannounced by the Ministry of Treasury and Finance every year and rounded to the next 50-TRY tranche.</p>