

Equities and Debt Securities Clearing & Settlement Team

**Subject: Notification, Valuation and Deposit Principles Regarding Repo and Reverse Repo Transactions to be made by Banks and Brokerage Houses**

**Related Parties:** Banks

Brokerage houses

Dear General Manager,

As it is known, within the scope of the "Communiqué on Principles Regarding Repo and Reverse Repo Transactions by Brokerage Houses" (Communiqué) published by the Capital Markets Board in the Official Gazette dated 31.12.2020 and numbered 31351 and the Banking Regulation and Supervision Agency, dated in the Official Gazette 10.02.2021 and 31391 the "Regulation on the Principles Regarding Repo and Reverse Repo Transactions by Banks" (Regulation) published, investment funds participation shares, excluding hedge funds, have also been added to financial instruments that may be subject to repo and reverse repo transactions.

Within the scope of the Communiqué and Regulation, since the financial instruments subject to repo and reverse repo transactions must be deposited in the accounts with Takasbank or Takasbank's correspondents, in case the investment funds participation shares, except for hedge funds, are subject to repo and reverse repo transactions made over the counter, Takasbank improvements regarding notification, valuation and warehouse principles have been completed and details regarding the improvements made are given below.

- No changes have been made in the notification transactions, and transactions will be carried out by entering the ISIN code of the required investment fund participation share in the "Securities" field on the "OTC Customer Transactions" screen.
- In case mutual funds (excluding hedge funds) are subject to the repo and reverse repo transactions performed by brokerage houses and banks with their customers outside the stock market, the mutual fund participation share is blocked in the "Reverse Repo Investment Fund Blocked Depository No 109K" account opened at Takasbank. will be.
- The securities transfer (blocking) transaction must be transferred from the accounts of brokerage houses and banks at the CRA to the account called "TRYFB" opened in the name of Takasbank at the CRA through the "KT10 - Asset Transfer Entry" screens in the Central Registry Agency (CRA) system.
- In the case of exit from the deposit account (as in 106K deposit exit transactions), it is required to be done via the "Registered Transactions / Dematerialized Asset Transfer Screen" from the "Debt Securities Transfer Transactions" menu in the Takasbank system.
- The valuation price to be used in the collateralization of the mutual funds being appraised is the last price notified to Takasbank on the day the mutual fund participation share is subject to repo, and the rates determined according to the fund types specified in the Communiqué and Regulation shall be taken as basis for collateralization.

Kindly submitted for your information.  
Sincerely Yours,

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

**Beyhan ARASAN**  
**DIRECTOR**

**Gökhan ELİBOL**  
**DEPUTY GENERAL MANAGER**  
**EXECUTIVE BOARD MEMBER**