

General Letter: 1698

Istanbul, 17/05/2021

Energy & Commodity
Clearing and Settlement Team

Subject: About Providing Clearing and Collateral Management Service to the Electricity Futures Market (EFM) by our Bank as a Central Settlement Institution

Related Participants : Electricity Market Members

Dear General Manager,

As is known, as of 01.06.2021, with the commencement of the Electricity Futures Market within the scope of the Energy Exchange Istanbul (EXIST), within the framework of the "Central Settlement Institution Agreement" signed between EXIST and our Bank, our Bank will provide cash settlement and collateral management services (Service) to the Market as the "Central Settlement Institution".

The Takasbank platform, which will be used by the participants within the scope of the service to be provided by our bank, has been activated as of 17.05.2021.

The details regarding the provision of clearing and collateral management services by our Bank for transactions to be carried out in the Electricity Futures Market are given below.

A. Membership

In order to complete the registration of the Electricity Futures Market (EFM), Takasbank Central Settlement Institution - Participant Agreement Pre-Contractual Information Sheet and Participant Agreement (Agreement), leaving the date fields blank, must be signed by the persons with the highest authority of the company and submitted to our Bank with signatures. The form and contract can be obtained physically from our Bank or by accessing the Electricity Futures Market subtitle under the main heading of "Membership" on our website. Since it will not be possible for the participants who do not sign an agreement to deposit EXIST collateral, it is important that the participants sign the agreement first.

B. System Rules and Regulations

Covering the principles to be followed by Takasbank and its members regarding membership, clearing, collateral management and default transactions and which will enter into force upon the opening of the market, Procedure on cash settlement and collateral management service to be provided by Istanbul Clearing, Settlement and Custody Bank Inc. at the Electricity Futures Market of Energy Exchange Istanbul and the principles Procedure regarding this service will be announced to the participants before the transition and will be published on the Bank's website.

C. Fee Schedule

The fee schedule to be applied with the transition is given below.

Service Name	Service Description	Fee Base	Fee/Rate
Cash Clearing and Settlement Commission	Commission charged for the cash clearing and settlement services provided to Electricity Futures Market (EFM) participants, on the total trading volume that the participant has executed in the market in the relevant month.	Transaction Volume	0.0005% (0.5 basis points)
Collateral Management Commission	It is charged on the total non-cash collateral amounts provided by the participants on behalf of the Market Operator.	Collateral Amount	0.1% (Yearly one per-mille)
Interest Accrual Commission	It is charged for the services of interest accruals on cash collateral in Turkish Lira	Gross Accrued Interest Amount	3% (three percent)

Questions about membership can be sent to uye@takasbank.com.tr, and questions about clearing operations can be sent to eet@takasbank.com.tr via mail.

Respectfully submitted for your information and further action.
Sincerely yours.

TAKASBANK
İSTANBUL SETTLEMENT AND CUSTODY BANK INC

Beyhan ARASAN
Director

Gökhan ELİBOL
Executive Vice President