

Equities and Debt Securities Clearing & Settlement Team

Subject: About Transactions Participated by Funds Over the Counter Stock Exchange

Related Parties: Banks

Brokerage houses

Collective Investment Undertaking

Dear General Manager,

Warehouse conditions regarding repo/reverse repo agreements signed by the funds over the stock exchange were announced in the General Letters of our Bank numbered 1278 and 1378. This time, if Private Sector Debt Instruments are given as collateral for repo/reverse repo transactions, which are a part of over-the-counter transactions, the related securities will be blocked in the fund's "1104K OTC Reverse Repo Book Entry Collateral Deposit" account, and the transactions to be made in this context are listed below.

- First of all, the relevant fund must notify the related reverse repo contract through the "Fund Non-Exchange Repo - R. Repo Contract Notification Screen" under the "Fund Transactions" menu on the Collective Investment Undertaking screens of the Takasbank system.
- Following the notification, the transfer of the fund to the warehouse no. 1104K will be carried out by the counterparty through the CSD screens, by selecting the repo option on the "Virements/Private Sector Debt Instruments/OI10 PSDI Repo and Clear Debt Entry Screen" and entering the code of the fund to be transferred to the "Fund Code" field.
- On the return date notified by the fund for the withdrawal transactions from the warehouse account, an automatic record will be created by the system in the "Material Transactions/Book Entry Securities Transfer Screen" in the "Debt Instruments Virement Transactions" menu in the Takasbank system, and this record will be approved by the fund the assets will be returned to the relevant member, automatically.

This development will be put into effect as of 02/07/2021.

Kindly submitted for your information.

Yours Sincerely,

TAKASBANK
İSTANBUL SETTLEMENT AND CUSTODY BANK INC.

Beyhan ARASAN
DIRECTOR

Gökhan ELİBOL
VICE GENERAL MANAGER