

General Letter : 1776

Istanbul, 15/03/2022

DERIVATIVES CLEARING AND SETTLEMENT TEAM

Subject: Amendment to the Borsa Istanbul Derivatives Market CCP Service Procedure

Related Members: Brokerage Firms, Banks

Dear General Manager,

In order to determine the settlement details of the Physically Delivered Government Bond Futures Contracts which were launched on 15th of March 2022 at Borsa Istanbul Inc. Futures And Options Market, *Procedure On Central Counterparty Service To Be Provided By Istanbul Settlement And Custody Bank Inc. To Borsa Istanbul Inc. Futures And Options Market And the Clearing And Settlement Principles Regarding This Service* is amended.

The comparison table of the amendment of Procedure is attached.

The updated procedure can be accessed from the "Procedures" section under "Rules&Regulations" heading on our website.

Respectfully submitted for your information and further action.

Sincerely Yours,

TAKASBANK
ISTANBUL SETTLEMENT AND CUSTODY BANK INC

Murat GÖRGÜN
Executive Vice President

Avşar R. SUNGURLU
CEO and Board Member

Annex: Table of Amendment

Procedure On Central Counterparty Service To Be Provided By Istanbul Settlement And Custody Bank Incorporation To Borsa Istanbul Incorporation Futures And Options Market And The Clearing And Settlement Principles Regarding This Service

Annex: Table of Amendment

Old Version	New Version
<p>Exercise and physical delivery ARTICLE 28-</p>	<p>Exercise and physical delivery ARTICLE 28- ...</p> <p>(11) For physically settled government bond futures contracts, positions that remained opened at the expiration date are directly settled by physical delivery and settled at the Exchange Fixed Income Market accounts, netted with the relevant house and client accounts of the member.</p>
<p>Default ARTICLE 60 - (1) If one of the following situations occurs, the relevant Member shall be deemed to have defaulted without any further notice.</p> <p>...</p> <p>b) For equity based contracts subject to physical delivery; failure to fulfill the settlement obligations within the Borsa Istanbul Equity Market regulations, for EWR contracts subject to physical delivery, failure to fulfill the settlement obligations within the fifth business day until 17:00 (14:00 for the half business days) following the expiration day, for futures and options contracts based on foreign currency and subject to physical delivery, failure to fulfill the settlement obligations on the first business day following the expiration day within the time periods laid down in Article 22;</p>	<p>Default ARTICLE 60 - (1) If one of the following situations occurs, the relevant Member shall be deemed to have defaulted without any further notice.</p> <p>...</p> <p>b) For equity based contracts subject to physical delivery; failure to fulfill the settlement obligations within the Borsa Istanbul Equity Market regulations, for government bond based contracts subject to physical delivery; failure to fulfill the settlement obligations within the Borsa Istanbul Fixed Income Market regulations, for EWR contracts subject to physical delivery, failure to fulfill the settlement obligations within the fifth business day until 17:00 (14:00 for the half business days) following the expiration day, for futures and options contracts based on foreign currency and subject to physical delivery, failure to fulfill the settlement obligations on the first business day following the expiration day within the time periods laid down in Article 22;</p>