

Istanbul, 09/12/2022

General Letter: 1833

Money Market Team

Subject: About Changes in Collateral Valuation Haircuts in Takasbank Money Market (TMM)

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

Dear CEO,

Takasbank reviews periodically the valuation haircuts of assets accepted as collateral and revises them if deemed necessary. Within this context, the valuation haircuts of collateral in TMM will be changed.

The comparison table of valuation haircuts is annexed and the relevant changes will be put into practice on **12/12/2022**. As of the same date, Takasbank Money Market (TMM) 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.

Zehra Zeynep ÖÇAL
DIRECTOR

Gökhan ELİBOL
EXECUTIVE VICE
PRESIDENT

Annex:

1- TMM Procedure Change Comparison Table (3 pages)

TMM Procedure Change Comparison Table

| ARTICLE CONTENT- OLD | | | | | | ARTICLE CONTENT- NEW | | | | | |
|---|--|-------------------------|-------------------|-----------------------------------|-----------------------------------|---|--|-------------------------|-------------------|-----------------------------------|-----------------------------------|
| Collateral groups, valuation haircuts and upper limit ratios | | | | | | Collateral groups, valuation haircuts and upper limit ratios | | | | | |
| ARTICLE 28 | | | | | | ARTICLE 28 | | | | | |
| | | | | | | | | | | | |
| (3) The collateral groups, haircuts, group and upper limit ratios on the basis of assets to be used for the collateral valuation are given below: | | | | | | (3) The collateral groups, haircuts, group and upper limit ratios on the basis of assets to be used for the collateral valuation are given below: | | | | | |
| Collateral Group | Collateral Type | Time to Maturity/ Index | Valuation Haircut | Group Based Upper Limit Ratio (%) | Asset Based Upper Limit Ratio (%) | Collateral Group | Collateral Type | Time to Maturity/ Index | Valuation Haircut | Group Based Upper Limit Ratio (%) | Asset Based Upper Limit Ratio (%) |
| 1 | Gold | | 0,88 | 25,00 | 100,00 | 1 | Gold | | 0,88 | 25,00 | 100,00 |
| 2 | Borsa Istanbul shares | | 1,00 | 100,00 | 100,00 | 2 | Borsa Istanbul shares | | 1,00 | 100,00 | 100,00 |
| 3 | Government Domestic Debt Instrument (TRY, USD and EUR denominated) | 0-1 year | 0,97 | 100,00 | 100,00 | 3 | Government Domestic Debt Instrument (TRY, USD and EUR denominated) | 0-1 year | 0,97 | 100,00 | 100,00 |
| | | 1-5 year | 0,91 | | | | | 1-5 year | 0,91 | | |
| | | 5 year and more | 0,85 | | | | | 5 year and more | 0,85 | | |
| 4 | Eurobond -USD denominated | 0-5 year | 0,92 | 100,00 | 100,00 | 4 | Eurobond -USD denominated | 0-5 year | 0,92 | 100,00 | 100,00 |
| | | 5-10 year | 0,92 | | | | | 5-10 year | 0,92 | | |
| | | 10-30 year | 0,90 | | | | | 10-30 year | 0,90 | | |

| | | | | | | | | | | | |
|----|---------------------------|------------------|------|--------|--------|--|--|---------------------|--------|--------|--------|
| | | 30 year and more | 0,87 | | | | | 30 year and more | 0,87 | | |
| 4 | Eurobond -EUR denominated | 0-5 year | 0,92 | 100,00 | 100,00 | | | 0-5 year | 0,92 | 100,00 | 100,00 |
| | | 5-10 year | 0,87 | | | | | 5-10 year | 0,87 | | |
| | | 10-30 year | 0,79 | | | | | 10-30 year | 0,79 | | |
| | | 30 year and more | 0,79 | | | | | 30 year and more | 0,79 | | |
| | | | | | | | | | | | |
| 5 | Lease Certificate | 0-1 year | 0,95 | 100,00 | 100,00 | | | 0-1 year | 0,95 | 100,00 | 100,00 |
| | | 1-5 year | 0,89 | | | | | 1-5 year | 0,89 | | |
| | | 5 year and more | 0,83 | | | | | 5 year and more | 0,83 | | |
| 6 | Share | BIST-30 | 0,84 | 90,00 | 50,00 | | | BIST-30 | 0,84 | 90,00 | 50,00 |
| | | BIST-100 | 0,82 | | | | | BIST-100 | 0,8279 | | |
| 7 | Cash-EUR | | 0,91 | 100,00 | 100,00 | | | Cash-EUR | 0,91 | 100,00 | 100,00 |
| 7 | Cash- USD | | 0,91 | 100,00 | 100,00 | | | Cash- USD | 0,91 | 100,00 | 100,00 |
| 7 | Cash-TRY | | 1,00 | 100,00 | 100,00 | | | Cash-TRY | 1,00 | 100,00 | 100,00 |
| 8 | Bank Bond / Bill | | 0,73 | 50,00 | 40,00 | | | Bank Bond / Bill | 0,73 | 50,00 | 40,00 |
| 9 | Letter of Guarantee | | 1,00 | 100,00 | 100,00 | | | Letter of Guarantee | 1,00 | 100,00 | 100,00 |
| 10 | | 0-1 year | 0,95 | 50,00 | 40,00 | | | 0-1 year | 0,95 | 50,00 | 40,00 |
| | | 1-5 year | 0,89 | | | | | 1-5 year | 0,89 | | |

| | Asset-Backed Security | 5 year and more | 0,83 | | | | | Asset-Backed Security | 5 year and more | 0,83 | | | |
|-----------|---|-----------------|------|-------|-------|--|--|-----------------------|---|------|------|-------|-------|
| 11 | Investment Fund Participation Certificate | | 0,88 | 50,00 | 20,00 | | | 11 | Investment Fund Participation Certificate | | 0,88 | 50,00 | 20,00 |