

İstanbul, 20/02/2024

General Letter: 1955

MONEY MARKET TEAM

Subject: About Changes in Takasbank Money Market (TMM) Procedure

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

Dear CEO,

As it is known, members are allowed to buy and sell mutual funds, investment trusts and pension mutual funds by specifying the fund codes within the TMM limits and within the limits specified in the relevant legislation of the Capital Markets Board at Takasbank Money Market. In this context, an arrangement was made in the Procedure to enable asset and housing finance funds to trade in the TMM. In addition, the institutions that can become members of the TMM have been included under a separate article heading.

The comparison table of TMM Procedure is annexed and the latest Procedure including the updates is accessible on Takasbank web site (www.takasbank.com.tr/en).

Respectfully submitted for your information and further action.

Sincerely yours,

TAKASBANK
İSTANBUL TAKAS VE SAKLAMA BANKASI A.Ş.

Zehra Zeynep ÖÇAL
Director

Gökhan ELİBOL
Executive Vice President

TMM Procedure Change Comparison Table

ARTICLE CONTENT- OLD	ARTICLE CONTENT- NEW
<p>ARTICLE 4 - Definitions and abbreviations</p> <p>(1) Terms used in this Procedure shall bear the following meanings:</p> <p>a) Exchange/Borsa İstanbul: Borsa İstanbul Inc.</p> <p>b) BITT: Banking and Insurance Transaction Tax.</p> <p>c) GDS: Government Debt Securities.</p> <p>.....</p> <p>j) Takasbank Money Market (TMM): The market established and operated by Takasbank, which enables the matching of bid and ask orders of the members who have fund surplus and/or lack of fund.</p>	<p>ARTICLE 4 - Definitions and abbreviations</p> <p>(1) Terms used in this Procedure shall bear the following meanings:</p> <p>a) Exchange/Borsa İstanbul: Borsa İstanbul Inc.</p> <p>b) BITT: Banking and Insurance Transaction Tax.</p> <p>c) GDS: Government Debt Securities.</p> <p><u>c) Fund: Investment funds and trusts, asset finance and housing finance funds and other funds to be defined in the Law and related communiqués.</u></p> <p>.....</p> <p>j) Takasbank Money Market (TMM): The market established and operated by Takasbank, which enables the matching of bid and ask orders of the members who have fund surplus and/or lack of fund. <u>meeting of the demands and offers of the members with Turkish Lira fund surplus and/or fund need,</u></p>
<p>ARTICLE 5 – Membership</p> <p>(1) Institutions that satisfy the conditions prescribed in article 6 of this Procedure may become a member of the TMM provided that they are authorized by Takasbank. The CBRT is a natural member of the TMM.</p>	<p>ARTICLE 5 – Membership</p> <p>(1) Institutions that satisfy the conditions prescribed in article <u>6th and 7th</u> of this Procedure may become a member of the TMM provided that they are authorized by Takasbank. The CBRT is a natural member of the TMM.</p>

	<p>ARTICLE 6- Organizations that can be members</p> <p>(1) Organizations that may be members of the TMM are listed below.</p> <p>a) Investment institutions as defined in the Law,</p> <p>b) Financial institutions as defined in the Law on Financial Leasing, Factoring and Financing Companies,</p> <p>c) Asset management companies operating under the Banking Law,</p> <p>d) Institutions operating in financial markets and subject to the Insurance Law and the Private Pension Savings and Investment System Law,</p> <p>e) Pension benefit funds, which have their own special laws and operate on a defined contribution basis,</p>
<p>ARTICLE 6 - Membership conditions</p> <p>(1) The following conditions must be met for membership;</p> <p>a) Being one of the investment institutions and mortgage finance institutions designated in the Law, being one of the financial institutions designated in the Financial Leasing, Factoring and Financing Companies Law, being one of the asset management companies operating within the Banking Law, being one of the institutions operating on the financial markets and subject to the Insurance Law and the Private Pension Savings and Investment System Law or being one of the complementary pension funds being subject to their own private law and operating on a defined contribution model and there must be no restriction in their regulation that may prevent them from trading in the TMM,</p>	<p>ARTICLE 76 - Membership conditions</p> <p>(1) The following conditions must be met for membership;</p> <p>a) Being one of the investment institutions and mortgage finance institutions designated in the Law, being one of the financial institutions designated in the Financial Leasing, Factoring and Financing Companies Law, being one of the asset management companies operating within the Banking Law, being one of the institutions operating on the financial markets and subject to the Insurance Law and the Private Pension Savings and Investment System Law or being one of the complementary pension funds being subject to their own private law and operating on a defined contribution model and there must be no restriction in their regulation that may prevent them from trading in the TMM, a) <u>There must be no restriction in their regulation that may prevent them from trading in the TMM,</u></p>
<p>ARTICLE 7 - Restriction on trading activities of the member</p> <p>(2) The Members cannot trade in the TMM if they are in default at TMM or Takasbank Cash Credit transactions. However, the members may be allowed to engage in no risk bearing transactions in compliance with article 16 of this Procedure.</p>	<p>ARTICLE 87 - Restriction on trading activities of the member</p> <p>(2) The Members cannot trade in the TMM if they are in default at TMM or Takasbank Cash Credit transactions. However, the members may be allowed to engage in no risk bearing transactions in compliance with article 1716 of this Procedure.</p>

<p>ARTICLE 9- Status of Takasbank and the obligations of the parties</p> <p>(4) In the fulfilment of obligations arising from the transactions conducted by the Members for their customers and investment funds, trusts and for the public funds, Takasbank deals only with the Members. Takasbank shall not be held liable for the obligations of the Members against their customers and investment funds, trusts and the public funds.</p> <p>.....</p> <p>(7) Takasbank is responsible for paying the principal to the borrowing member on the value date of its transaction, and the principal and interest amount to the lending member on the maturity date of its transaction, pursuant to the provisions of article 48 of this Procedure in case of default, to the extent that the members fulfill their obligations.</p> <p>.....</p> <p>(12) For the transactions that are cancelled due to technical reasons after the order matching or where the parties of the transactions changed their wills by mutual agreement in accordance with the principles and procedures specified in article 24 of this Procedure, Takasbank and the parties of the transactions shall not enter into any obligation.</p>	<p>ARTICLE 109- Status of Takasbank and the obligations of the parties</p> <p>(4) In the fulfilment of obligations arising from the transactions conducted by the Members for their customers and investment funds, trusts and for the public funds, Takasbank deals only with the Members. Takasbank shall not be held liable for the obligations of the Members against their customers and investment funds, trusts and the public funds. (4) Takasbank shall deal with the Members only in the fulfillment of the obligations arising from the transactions of the Members for their own funds. Takasbank shall not be held responsible for the obligations of the members towards the customers, funds and public funding institutions.</p> <p>.....</p> <p>(7) Takasbank is responsible for paying the principal to the borrowing member on the value date of its transaction, and the principal and interest amount to the lending member on the maturity date of its transaction, pursuant to the provisions of article 4948 of this Procedure in case of default, to the extent that the members fulfill their obligations.</p> <p>.....</p> <p>(12) For the transactions that are cancelled due to technical reasons after the order matching or where the parties of the transactions changed their wills by mutual agreement in accordance with the principles and procedures specified in article 2524 of this Procedure, Takasbank and the parties of the transactions shall not enter into any obligation.</p>
<p>ARTICLE 11 - Limits and trading thresholds</p> <p>(1) Takasbank allocates "TMM limit" to the members and "Fund limit" for the use of investment funds and trusts and public resources. Such limit is not a commitment of Takasbank.</p> <p>...</p> <p>(5)The buying limit ;</p> <p>a) It cannot be more than the TMM limit for transactions made on behalf of the portfolio and the client, and more than the sum of the TMM limit and the fund limit (TMM Total Limit) for transactions made on behalf of mutual funds, investment trusts and public funds.</p> <p>b) For the purchase transactions to be realized on behalf of the portfolio/client, it is calculated by deducting the total purchase transactions from the TMM limit and adding the matured purchase transactions. For transactions to be executed on behalf of mutual funds, investment trusts and public funds, it is calculated by deducting the total purchase transactions from the TMM Total Limit and adding the matured purchase transactions.</p>	<p>ARTICLE 1211 - Limits and trading thresholds</p> <p>(1) Takasbank allocates "TMM limit" to the members and "Fund limit" for the use of <u>funds and investment funds and trusts and</u> public resources. Such limit is not a commitment of Takasbank.</p> <p>...</p> <p>(5)The buying limit ;</p> <p>a) It cannot be more than the TMM limit for transactions made on behalf of the portfolio and the client, and more than the sum of the TMM limit and the fund limit (TMM Total Limit) for transactions made on behalf of <u>funds mutual funds, investment trusts and public resources</u> funds.</p> <p>b) For the purchase transactions to be realized on behalf of the portfolio/client, it is calculated by deducting the total purchase transactions from the TMM limit and adding the matured purchase transactions. For transactions to be executed on behalf of mutual funds, investment trusts and public funds, it is calculated by deducting the total purchase transactions from the TMM Total Limit and adding the matured purchase transactions. b) <u>is calculated by deducting the total purchase transactions from the TMM limit and adding the due purchase transactions for the purchase transactions to be made on behalf of the portfolio/client. For the purchase transactions to be made on behalf of the Fund and public resources, it is calculated by</u></p>

	<p><u>deducting the total purchase transactions from the TMM Total Limit and adding the matured purchase transactions.</u></p>
<p>ARTICLE 14- TMM transactions of the investment funds, investment trusts and pension funds</p> <p>(1) Members can transact for the investment funds, investment trusts and pension funds within the limitations specified in the relevant legislation by the Capital Market Board.</p>	<p>ARTICLE 1514- TMM transactions of the investment funds, investment trusts and pension funds TMM transactions of the funds</p> <p>(1) Members can transact for the <u>funds</u> investment funds, investment trusts and pension funds within the limitations specified in the relevant legislation by the Capital Market Board.</p>
<p>ARTICLE 15 - Order elements</p> <p>(1) After defining their representative numbers and passwords to the system, the representatives must fill out the following required fields of an order:</p> <p>a) Customer Type: It can be a "Portfolio", a "Customer" or a "Fund/IT" (Investment Fund/Investment Trust/Public Fund). When an order is placed for an investment fund, an investment trust, or a public fund, the code of the relevant fund or trust or public fund shall be indicated.</p> <p>.....</p> <p>ç) Order Maturity: It can be any of the maturity types referred to in article 13 of this Procedure.</p>	<p>ARTICLE 1615 - Order elements</p> <p>(1) After defining their representative numbers and passwords to the system, the representatives must fill out the following required fields of an order:</p> <p>a) Customer Type: It can be a "Portfolio", a "Customer" or a "Fund/IT" (Investment Fund/Investment Trust/Public Fund). When an order is placed for <u>a fund or public resource</u>, an investment fund, an investment trust, or a public fund, the code of the relevant fund or trust or public <u>resource is specified</u>. fund shall be indicated.</p> <p>.....</p> <p>ç) Order Maturity: It can be any of the maturity types referred to in article 1413 of this Procedure.</p>

<p>ARTICLE 17- Order routing</p> <p>.....</p> <p>(2) In the TMM, the bid and ask orders are routed collectively by the member for the customers. Orders routed for the portfolios, investment funds, investment trusts and public funds, on the other hand, are conducted by quoting their relevant codes.</p>	<p>ARTICLE 1817 Order routing</p> <p>.....</p> <p>(2) In the TMM, the bid and ask orders are routed collectively by the member for the customers. Orders <u>for portfolios, funds and public resources are conducted by quoting their relevant codes</u>, routed for the portfolios, investment funds, investment trusts and public funds, on the other hand, are conducted by quoting their relevant codes.</p>
<p>ARTICLE 19- Order amendment</p> <p>.....</p> <p>(2) The amendments conducted about the customer type, the investment trust, investment fund and public funds codes, the interest rate and amount of the unexecuted portion of the Limit Orders shall change the order number and priority of the order.</p>	<p>ARTICLE 2019 Order amendment</p> <p>.....</p> <p>(2) The amendments conducted about the customer type, the investment trust, investment fund and the public funds codes, the interest rate and amount of the unexecuted portion of the Limit Orders shall change the order number and priority of the order.</p>
<p>ARTICLE 21- Order matching</p> <p>.....</p> <p>(5) For the bid and ask orders wherein the same member is involved, the following waiting period and principles shall be applied further to the time and price priority:</p> <p>....</p> <p>c) If either one of the bid or ask orders of the same member that may match with each other is quoted by designating an investment fund/trust or public fund code, the order quoted with the investment fund/trust or public fund code should have been entered to the system at first. Otherwise, these orders do not match with each other.</p>	<p>ARTICLE 2221 Order matching</p> <p>.....</p> <p>(5) For the bid and ask orders wherein the same member is involved, the following waiting period and principles shall be applied further to the time and price priority:</p> <p>....</p> <p>c) If either one of the bid or ask orders of the same member that may match with each other is quoted by designating <u>fund or an investment fund/trust or</u> public fund code, the order quoted with the <u>fund or</u> investment fund/trust or public fund code should have been entered to the system at first. Otherwise, these orders do not match with each other.</p>

<p>ARTICLE 23- Transaction notification and monitoring</p> <p>....</p> <p>(3) Transactions conducted by the members by quoting the codes of the portfolio, customer, investment fund, investment trust and public funds n are monitored in the member accounts at Takasbank.</p> <p>(4) In the TMM, positions are monitored separately on portfolio, investment funds, investment trusts and public funds basis, whereas, collectively for the customers. In the TMM, no single position account can be opened in the name of the customers.</p>	<p>ARTICLE 2423- Transaction notification and monitoring</p> <p>....</p> <p>(3) Transactions conducted by the members by quoting the codes of the portfolio, customer, investment fund, investment trustfunds and public funds are monitored in the member accounts at Takasbank.</p> <p>(4) In the TMM, positions are monitored separately on portfolio, investment funds, investment trustsfunds and public funds basis, whereas, collectively for the customers. In the TMM, no single position account can be opened in the name of the customers.</p>
<p>ARTICLE 24- Transaction amendment and cancellation</p> <p>.....</p> <p>(3) The corrections relating to the transactions executed as a result of the incorrectly entered customer type can be executed by either Takasbank upon the request sent to TMM on the same day in writing or by the members via Takasbank member applications. The correction shall be processed in the following manner;</p> <p>....</p> <p>d) In case the client type of the order is Fund/YO, the mutual fund, investment trust and public source code can be changed.</p>	<p>ARTICLE 2524- Transaction amendment and cancellation</p> <p>.....</p> <p>(3) The corrections relating to the transactions executed as a result of the incorrectly entered customer type can be executed by either Takasbank upon the request sent to TMM on the same day in writing or by the members via Takasbank member applications. The correction shall be processed in the following manner;</p> <p>....</p> <p>d) In case the client type of the order is Fund/YO, the mutual fund, investment trust and public source code can be changed. b) If the order's customer type is a Fund/Investment Trust than, the code of fund and public fund can be changed.</p>
<p>ARTICLE 25 -General provisions regarding the collaterals</p> <p>.....</p> <p>(5) The members are obliged to pledge the collateral referred to in article 30 to the relevant collateral account for the transactions they have conducted for their customers and for the portfolio and the investment funds, investment trusts and public funds. The collateral obligation must be fulfilled by the assets on which the member has the right of disposition.</p>	<p>ARTICLE 2625 -General provisions regarding the collaterals</p> <p>.....</p> <p>(5) The members are obliged to pledge the collateral referred to in article 3130 to the relevant collateral account for the transactions they have conducted for their customers and for the portfolio and the fundsinvestment funds, investment trusts and public funds. The collateral obligation must be fulfilled by the assets on which the member has the right of disposition.</p>

<p>ARTICLE 36- Assets eligible as guarantee fund contribution share</p> <p>.....</p> <p>(5) Takasbank evaluates the assets given to the guarantee fund at the end of each day. Prices in article 29 of this Procedure are used in valuation of assets accepted as guarantee fund contribution.</p> <p>(6) The valuation haircuts representing the deduction rates to be used in calculating the collateral values of the assets to be deposited as guarantee fund contribution are explained in article 28 of this Procedure</p> <p>.....</p> <p>(8) Members can deposit and withdrawn their contribution amounts through the guarantee fund' contribution accounts in parallel with the hours and rules specified in Article 27 of this Procedure.</p>	<p>ARTICLE 3736 Assets eligible as guarantee fund contribution share</p> <p>.....</p> <p>(5) Takasbank evaluates the assets given to the guarantee fund at the end of each day. Prices in article 3029 of this Procedure are used in valuation of assets accepted as guarantee fund contribution.</p> <p>(6) The valuation haircuts representing the deduction rates to be used in calculating the collateral values of the assets to be deposited as guarantee fund contribution are explained in article 298 of this Procedure</p> <p>.....</p> <p>(8) Members can deposit and withdrawn their contribution amounts through the guarantee fund' contribution accounts in parallel with the hours and rules specified in Article 2827 of this Procedure.</p>
<p>ARTICLE 38- Principles for the use of guarantee fund</p> <p>(1) In default management, the non-defaulting members' non-cash contributions in the guarantee fund shall be started to be turned into cash when the funds available for use up to item (d) of the eight paragraph of article 51 of this Procedure fail to be adequate and upon determination that the guarantee fund contributions deposited in cash will remain insufficient.</p> <p>.....</p> <p>(10) If additional guarantee fund's contribution amount demanded from members due to default, are partially or fully expended, members are asked to replenish their guarantee fund requirements up to the amount calculated pursuant to article 35. Normal guarantee fund contribution amounts that shall be demanded from members, who have fulfilled additional guarantee fund contribution share requirements within one-year period between 1 April and 31 March, are expended only for their own defaults until the current period is completed.</p>	<p>ARTICLE 3938 Principles for the use of guarantee fund</p> <p>(1) In default management, the non-defaulting members' non-cash contributions in the guarantee fund shall be started to be turned into cash when the funds available for use up to item (d) of the eight paragraph of article 5254 of this Procedure fail to be adequate and upon determination that the guarantee fund contributions deposited in cash will remain insufficient.</p> <p>.....</p> <p>(10) If additional guarantee fund's contribution amount demanded from members due to default, are partially or fully expended, members are asked to replenish their guarantee fund requirements up to the amount calculated pursuant to article 3635. Normal guarantee fund contribution amounts that shall be demanded from members, who have fulfilled additional guarantee fund contribution share requirements within one-year period between 1 April and 31 March, are expended only for their own defaults until the current period is completed.</p>
<p>ARTICLE 39- Returning of guarantee fund contribution amounts</p> <p>(1) The contributions other than the fixed guarantee fund contributions in the guarantee fund of the institutions whose membership ends pursuant to article 8 of this Procedure and all revenues and rights related thereto shall be returned to such institutions after deduction of any tax and other legal liabilities required to be paid by taking into consideration of their obligations arising from the transactions they have conducted in the TMM and the payment obligations which Takasbank might face due to any default that may occur during the time period elapsed from the Board of Directors' resolution for the termination of membership to the date on which the termination procedures were completed.</p>	<p>ARTICLE 4039 Returning of guarantee fund contribution amounts</p> <p>(1) The contributions other than the fixed guarantee fund contributions in the guarantee fund of the institutions whose membership ends pursuant to article 98 of this Procedure and all revenues and rights related thereto shall be returned to such institutions after deduction of any tax and other legal liabilities required to be paid by taking into consideration of their obligations arising from the transactions they have conducted in the TMM and the payment obligations which Takasbank might face due to any default that may occur during the time period elapsed from the Board of Directors' resolution for the termination of membership to the date on which the termination procedures were completed.</p>

<p>ARTICLE 47- General principles</p> <p>.....</p> <p>(2) Takasbank's financial responsibility to TMM is the amount allocated from the capital and the amount committed under the principles set out in article 41 of this Procedure.</p> <p>(3) Regarding the financial responsibility of Takasbank, the provisions of Article 48 are reserved.</p>	<p>ARTICLE 4847 General principles</p> <p>.....</p> <p>(2) Takasbank's financial responsibility to TMM is the amount allocated from the capital and the amount committed under the principles set out in article 4241 of this Procedure.</p> <p>(3) Regarding the financial responsibility of Takasbank, the provisions of Article 4948 are reserved.</p>
<p>ARTICLE 48- Acceleration of debt and default</p> <p>(1) Members' debts arising from their TMM transactions shall become immediately due and payable under the following circumstances:</p> <p>.....</p> <p>b) The member's failure to fulfil its margin call obligation in compliance with the principles and procedures specified in article 31 of this Procedure;</p> <p>c) A decision made by Takasbank for the liquidation of the member's outstanding obligations pursuant to article 7 of this Procedure.</p> <p>(4) If the member's outstanding obligations are decided to be liquidated by Takasbank pursuant to article 7 of this Procedure, the borrowing member is required to fulfil its obligations within one (1) business day at the latest providing that it shall not exceed the maturity date.</p>	<p>ARTICLE 4948 Acceleration of debt and default</p> <p>(1) Members' debts arising from their TMM transactions shall become immediately due and payable under the following circumstances:</p> <p>.....</p> <p>b) The member's failure to fulfil its margin call obligation in compliance with the principles and procedures specified in article 3231 of this Procedure;</p> <p>c) A decision made by Takasbank for the liquidation of the member's outstanding obligations pursuant to article 87 of this Procedure.</p> <p>(4) If the member's outstanding obligations are decided to be liquidated by Takasbank pursuant to article 87 of this Procedure, the borrowing member is required to fulfil its obligations within one (1) business day at the latest providing that it shall not exceed the maturity date.</p>
<p>ARTICLE 50- Accrual, notification and collection</p> <p>(1) The defaulting member is obliged to pay default interest in accordance with the principles specified in article 49 of this Procedure. If the debt that has become due is not paid off by the payment cut-off time, the default interest calculated by Takasbank over the default interest rate set forth in article 49 herein shall be accrued to the relevant member account. If Takasbank has incurred any loss exceeding the default interest due to the member's failure to settle its debts either in part or as a whole; then such loss shall be indemnified by the member.</p>	<p>ARTICLE 5150 Accrual, notification and collection</p> <p>(1) The defaulting member is obliged to pay default interest in accordance with the principles specified in article 5049 of this Procedure. If the debt that has become due is not paid off by the payment cut-off time, the default interest calculated by Takasbank over the default interest rate set forth in article 5049 herein shall be accrued to the relevant member account. If Takasbank has incurred any loss exceeding the default interest due to the member's failure to settle its debts either in part or as a whole; then such loss shall be indemnified by the member.</p>

ARTICLE 54- Exemption

(1) CBRT can trade in the TMM by being exempt from the provisions of chapters 2, 5, 6, 8 and articles 11 and 46.

ARTICLE ~~554~~- Exemption

(1) CBRT can trade in the TMM by being exempt from the provisions of chapters 2, 5, 6, 8 and articles ~~1241~~ and ~~4746~~.