

**General Letter:** 1981

Istanbul, 14/06/2024

Unofficial Translation

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**DEBT SECURITIES CLEARING AND SETTLEMENT TEAM**

**Subject:** About the Developments for Blocking the Repo Security for the Duration of the Repo in the Equity Repo Market

**Related Parties:** Banks

Brokerage Houses  
Participation Banks  
Pension Funds  
Mutual Funds

Dear General Manager,

As is known, as stated in the general letter dated 16.05.2012 and numbered 1065, published by our Bank, the securities receivables from transactions carried out in the Equity Repo Market, which operates within the Borsa İstanbul A.Ş. Debt Securities Market, are transferred to the SERB sub-account of the RPTAH account of the members at the Central Securities Depository (MKK).

According to the new change, as stated in the first announcement dated 18.04.2024 and numbered E-18454353-100.04.02-25685, and the latest announcement dated 30.05.2024 and numbered E-18454353-100.04.02-26673, published by the Borsa İstanbul A.Ş. Debt Securities Market, the equities delivered to Takasbank on the value date1 by the member conducting the repo in the Equity Repo Market, in order to fulfill the settlement obligation, will be held in the blocked sub-account of the reverse repo member as collateral for the reverse repo until the end of the repo transaction value date2.

The details of the new regulations and changes made in this context are attached, and it is planned that these developments will come into effect on 08.07.2024.

Kindly submitted for your information.

Sincerely Yours,

**TAKASBANK**  
**ISTANBUL SETTLEMENT AND CUSTODY BANK INC.**

**Muhterem ÇELİK**  
Director

**Gökhan ELİBOL**  
Executive Vice President

Attachment:

1- Regarding the Details of the Developments for Blocking the Repo Security for the Duration of the Repo in the Equity Repo Market (2 pages)

## Regarding the Details of the Developments for Blocking the Repo Security for the Duration of the Repo in the Equity Repo Market

The details of the developments and regulations mentioned in our General Letter are as follows:

- There are no changes in the clearing and settlement processes. As before, our members can monitor the cash/securities debt/credit information resulting from the transactions included in the settlement in the Equity Repo Market through the screens under BISTECH Integration processes in the Takasweb menu.
- In the transactions included in the Equity Repo Market settlement, members can continue to track their debts and credits from the RP146 and RP147 reports on the MKK screens, as before. Additionally, a "Sub Account" column has been added to these reports. The receivables to be transferred to the reverse repo member's blocked account on the value date1 and the debts to be closed from blocked accounts on the value date2 will be tracked as "B" (Blocked Sub Account), while the debts to be closed from the free sub-account on value date1 and the receivables to be transferred to the free sub-account on value date2 will be tracked as "S" (Free Sub Account).
- In transactions included in the Equity Repo Market settlement, the shares received as collateral for the reverse repo on the value date1:
  - If the transaction is a customer/portfolio transaction, they will be held blocked in the RPBL (Repo Blocked) Sub Account opened under the RPTAH account in the name of the customer/portfolio at MKK until the value date2.
  - If the transaction is a Collective Investment Scheme (CIS) transaction, they will be held blocked in the Pay Repo Blocked (RPBL) Sub Account (account number 64) opened under Takasbank in the name of the CIS at MKK until the value date 2.
  - In transactions not included in the settlement (OTC), the shares received as collateral for the reverse repo will be transferred by the reverse repo member to the relevant customer blocked sub-account (RPBL) at MKK or to the RPBL sub-account (account number 64) of the CIS at Takasbank.
- For repo transactions conducted on behalf of CIS, whether included in the settlement or not (OTC), the share exit transfers for the repo will be reflected on the Free Transfer screen under the Equity Transactions section in the Takasweb menu on the value date1. Our members are required to check and approve these records.
- On the value date2, the system will automatically perform the blocked settlement debt closing transactions for the shares held in the blocked sub-accounts at MKK (customer/portfolio RPBL sub-account or the RPBL sub-account number 64 under the CIS at Takasbank) related to the transactions included in the settlement conducted in the Market. Exceptionally, CIS return transfers according to MKK policies may fall for approval on the KT18 screens. Our members need to check these screens and approve the debt closing transactions.
- On the value date2, for the return transfers related to transactions not included in the settlement (OTC) conducted in the Market:
  - The shares in the RPBL sub-account number 64 under the CIS at Takasbank will be automatically transferred by the system to the SERB sub-account at MKK of the relevant upper member. It is important to ensure that the transfers to the relevant CIS blocked sub-account are correctly made by the reverse repo

- member on the value date1 to avoid errors in automatic return records. If errors occur, the transfer must be performed by the member.
- The transfer of shares in the customer/portfolio RPBL blocked sub-accounts at MKK will be the responsibility of the relevant member.
  - It is important to use the real customer, portfolio, and CIS numbers (AFK Code) defined at MKK during the order stage for all transactions included in and not included in the settlement to prevent possible default situations and transfer errors. In case of incorrect customer numbers, records will be reflected in the AKHATAP (Brokerage House Error Portfolio Account) accounts at MKK, and the relevant member will be responsible for executing the associated transactions.