

İstanbul, 28/06/2018

General Letter: 1443
Project and Programme Management Department

Subject: BISTECH Phase 2+ Go-Live For Fixed Income Market and Precious Metals Market As of July 2nd, 2018

Related Parties: Brokerage Houses, Banks, Precious Metals Market Participants

Dear General Manager,

As known, within the last stage of BISTECH Technological Transformation Project, all Borsa İstanbul markets will jointly operate in the same platform and the project will go live on July 2nd, 2018. In this context,

- i. On Sunday July 1st, 2018, BISTECH Clearing Terminal (CW) will be open, but Takasbank Banking and Integration menu will not be open. On Sunday July 1st, the system date will be July 1st, 2018.
- ii. Within the BISTECH Phase 2+ Go-Live process, Friday June 29th, 2018 evening production data will be transferred to BISTECH on Saturday June 30th, 2018. By using BISTECH Clearing Terminals (CW) on Sunday July 1st, 2018, connection and user access controls should be done and following reports should be controlled. At BISTECH Clearing Terminals (CW) no action should be taken except reporting. The following information is required to be checked in terms of clearing operation.
 - a. Account information check
 - b. Control of trades, open positions and settlement positions
 - c. Collateral balance control (assuming interest distribution is done)
 - d. The required collateral margin (Total Margin), the amount of valuated collateral (Total Collateral Value) and the collateral status (Surplus/Deficit in TL) check
- iii. Connection tests and checks will be performed on Sunday July 1st, 2018 between 11:00 and 15:30. If you face any problems during testing and controls, you can communicate with our units by using the following e-mail addresses. Our members can also get support from their own IT teams for possible connection issues.
 - a. Fixed Income bat@takasbank.com.tr
 - b. Equity pay@takasbank.com.tr
 - c. Derivatives tat@takasbank.com.tr
 - d. Precious Metals eet@takasbank.com.tr
 - e. Member Support ube@takasbank.com.tr
- iv. As in all our menus, in Fixed Income and Precious Metals operations screens, users with 900 codes will be authorized to give authorization to other users. The authorized users of the members can authorize the other users beginning from Sunday July 1st, 2018. The member users that will perform the tests and controls on Sunday July 1st, 2018 must have a 900 user code. If the users with a 100 user code will perform the tests, they must have been authorized by the 900 users before the tests.

- v. On the Fixed Income and Precious Metals order entry screen, the 100 and 900 users of the members will be authorized by Takasbank for the relevant accounts. The user-specific restrictions for these accounts should be made by the 900 users of the members.
- vi. Only specific for the go-live date, for Fixed Income Market repo declarations dated July 2nd, 2018 the prices to be used will be the TR prices declared by Borsa İstanbul. Beginning from July 3rd, 2018, prices published on Takasbank Web Site will be used.
- vii. Borsa İstanbul Money Market Clearing operations are not transferred to BISTECH System and will continue to be performed via existing screens.
- viii. Letters of guarantee given to the Fixed Income Market as collateral will be defined to the system on July 2nd, 2018. Letters of guarantee given to Precious Metals Market will be transferred to BISTECH by Takasbank during cutover process.
- ix. Fixed Income Market members' existing collaterals (except the letter of guarantee) held in Takasbank in the name of Borsa İstanbul will be transferred to the "Portfolio CCP" collateral accounts on the Bistech system on July 2nd, 2018, with the condition that the member has given transfer instructions to Borsa İstanbul. Transfer responsibility to the other collateral accounts according to the margin requirements will belong to the members. Collaterals of our members who have not issued transfer orders to Borsa İstanbul and the letters of guarantee given on behalf of Borsa İstanbul will continue to be kept in the old system on behalf of Borsa İstanbul.

Respectfully submitted for your information and further action.

Sincerely yours,

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

**Ekrem ARIKAN
Executive Vice President**

**Mahmut KAYACIK
CEO and Board Member**