

**PROCEDURE OF PRINCIPLES REGARDING CASH SETTLEMENT AND
COLLATERAL MANAGEMENT SERVICES TO BE CARRIED OUT BY İSTANBUL
TAKAS VE SAKLAMA BANKASI A.Ş. RENEWABLE ENERGY GUARANTEES OF
ORIGIN IN THE ELECTRICTY (YEK-G) SYSTEM AND ORGANIZED (YEK-G)
MARKET AND RELATED TO THIS SERVICE**

**CHAPTER ONE
General Provisions**

Purpose

ARTICLE 1 - (1) The purpose of this Procedure is to regulate the principles and procedures regarding cash settlement and collateral management services that İstanbul Takas ve Saklama Bankası A.Ş. will provide as the Central Settlement Institution in Renewable Energy Guarantees of Origin in the Electricity (YEK-G) System and Organized YEK-G Market

Scope

ARTICLE 2 - (1) This procedure covers the issues related to membership, settlement, default, collateral, income, and other issues regarding cash settlement and collateral management services that İstanbul Takas ve Saklama Bankası A.Ş. will provide as the Central Settlement Institution in Renewable Energy Guarantees of Origin in The Electricity (YEK-G) System & Organized YEK-G Market

Basis

ARTICLE 3 - (1) This procedure has been prepared based on Article 77 of Capital Market Law no 6362 that was published in Official Gazette no. 28513 dated 30.12.2012, General Regulation Regarding Establishment and Operating Principles of Central Settlement Institutions that was published in Official Gazette no. 28662 dated 30.05.2013, Regulation on Regarding Renewable Energy Guarantees of Origin Document in the Electricity Market that was published in Official Gazette no 31304 dated 14/11/2020, and Renewable Energy Guarantees Market Central Settlement Institution Agreement that was signed between İstanbul Takas ve Saklama Bankası A.Ş. And Enerji Piyasaları İşletme A.Ş.on 26/05/2021.

Definitions and Abbreviations

ARTICLE 4 - (1) The following terms used in this Procedure shall refer to the following;

- a) **Intermediary Bank:** The Bank from which market participants request transfer of market settlement receivables and drawable cash collateral amounts
- b) **EFT:** Electronic Fund Transfer System that enables sending payments in terms of Turkish Lira
- c) **EPIAŞ:** Enerji Piyasaları İşletme A.Ş.
- d) **EUR:** Currency of European Union,
- e) **General Manager:** General Manager of İstanbul Takas ve Saklama Bankası A.Ş.
- f) **Central Settlement Institution:** Takasbank which is utilized for carrying out financial operations determined in Regulation Regarding Renewable Energy Guarantees of

Origin Document in the Electricity Market and which is authorized as a central settlement institution according to Capital Market Law no 6362 dated 06.12.2012.

- g) **Central Settlement Institution Participant Agreement:** The agreement which is prepared by Market Operator and which will be signed between market participants and Central Settlement Institution and which is related to collateral management and cash settlement services
- h) **Cash Settlement:** All of the processes that enable fund transfer by Takasbank between parties by means of fulfilling settlement obligations by market participants arising in relation to transactions executed in the Market, within the period and conditions determined by Takasbank, by means of obtaining Enerji Piyasaları İşletme A.Ş.'s opinion
- i) **Market:** Renewable Energy Guarantees of Origin Market (YEK-G Market) operated by EPIAŞ,
- j) **Market Participant - Participant:** Legal Entities which have license defined in the Regulation Regarding Renewable Energy Guarantees of Origin Document in Electricity Market
- k) **Free Account:** Free current accounts at Takasbank in TL (11) and foreign exchange (11YP)
- l) **System:** Takasbank system
- m) **SWIFT: (Society for Worldwide Interbank Financial Telecommunication):** International financial telecommunications network and messaging infrastructure
- n) **Day T:** The day when gross debit/credit information is sent by EPIAŞ
- o) **Takasbank:** İstanbul Takas ve Saklama Bankası A.Ş. which is authorized as Central Settlement
- p) **CBTR:** Central Bank of the Turkish Republic
- q) **USD:** Currency of the USA
- r) **Member:** Market participant or participant that has the authority to perform a transaction in Renewable Energy Guarantees of Origin Market
- s) **Renewable Energy Guarantees of Origin System (YEK-G System):** The system managed by the Market Operator, that includes issue, transfer, cancellation in favor of consumers, expiry and withdrawal processes of YEK-G certificate for electricity generated in generation facilities registered in the system to be established within the scope of this Regulation,
- t) **YEK-G Transaction Collateral:** The Collateral that is given for Renewable Energy Guarantees of Origin Market
- u) **YEK-G System and Organized YEK-G Market Operating Procedures and Principles:** Rules and procedures regarding transactions of issuance, transfer, cancellation, annulment, and redeem of Renewable Energy Guarantees of Origin Document (YEK-G Document), disclosure of supply of the renewable energy, establishment of YEK-G System and YEK-G Market.
- v) **Board of Directors:** The Board of Directors of Takasbank
- w) **Regulation:** Regulation Regarding Renewable Energy Guarantees of Origin Document in Electricity Market

CHAPTER TWO

Principles for membership and Accounts

Conditions for Membership:

ARTICLE 5 – (1) Conditions stated below must be met in order to receive settlement and collateral management services for the Market.

- a) Authorization to trade in the Market was not revoked due to contradictions to the relevant legislation,
- b) Agreements, undertakings, and contracts of which content is determined by Takasbank are signed and presented to Takasbank
- c) Technical infrastructure for executing its transactions at Takasbank which has been determined and announced by Takasbank to the clients has been established and required measures are taken for its operability.
- d) Cash and collateral accounts are opened timely and correctly in their own name at Takasbank to perform transactions related to collateral and payments.

Membership Application and Admittance

ARTICLE 6 – (1) The institutions which will apply for the membership are required to communicate their application request in writing addressed to the Takasbank Head Office and to submit information and documents listed below in the attachment affirming the fulfillment of the conditions sought for membership

- a) Participant Agreement between Takasbank and YEK-G Central Settlement Institution
- b) YEK-G Participant Member User Declaration,
- c) YEK-G Market Participants Joint Liability Undertaking,
- d) Other information and documents requested by Member Service and Support Team (Fixed IP Forms, Undertaking of Corporate E-mail, documents related to account opening, etc.)

(2) Following completion of the membership process, Market Participants execute settlement and collateral transactions related to YEK-G Market operations by accessing the Takasbank YEK-G Market application through the internet with user codes, passwords, and keywords, and SMS codes defined for them by Member Service and Support Team.

(3) In order for the institutions of which membership application has been accepted to begin operations at Takasbank, it must authorize the personnel who will execute transactions on behalf of the member through the Takasbank system beginning from the notification of acceptance of its membership application

General Obligations of the Members

ARTICLE 7 – (1) The Members are obliged to comply with the following issues:

- a) Comply with system durations determined by Takasbank, act in accordance with all rules and principles stipulated by this Procedure and other relevant legislation for market settlement operations.
- b) Fulfill the fees, commissions, and other obligations required by Takasbank in due time
- c) Present any type of information and documents to be requested related to issues deemed necessary by Takasbank in relation to their businesses and transactions within the scope of this Procedure, and provide any support for the investigations to be conducted by Takasbank officers,
- d) Adapt the system revisions to be made by Takasbank within the determined periods and participate in the tests,
- e) Fulfill other obligations under this Procedure in a complete manner and within due time

(2) If any Member foresees that it will be unable to either partially or totally fulfill its obligations, this Member is obliged to notify such situation immediately to EPIAŞ and Takasbank together with all verifying information and documents also including the reasons of the situation. The mentioned notification shall not constitute an impediment for Takasbank to take the necessary measures determined in this Procedure

(3) The members are responsible for the fulfillment of all obligations related to the transactions they have performed within the framework of activities regulated under the Procedure and functions performed by their employees within the scope of their duties.

(4) The members perform their transactions through remote access by using the user codes and passwords allocated to the personnel authorized by them. The responsibility arising from the transactions conducted in the system by using the allocated password and from the use of the password by unauthorized persons shall belong to the member.

(5) In cases when access to the system is not possible, the transactions can be executed by Takasbank in accordance with the written instructions to be given by persons having authority to represent the Market Participant.

Obligations of the members regarding settlement and collateral transactions

ARTICLE 8 - (1) Members are obliged to fulfill the obligations stated below related to settlement and collateral transactions.

- a) Perform payments related to invoice payments that have been communicated by EPIAŞ to themselves to Takasbank through intermediary banks in a correct manner and in due time and monitor them through Takasbank applications,
- b) Perform transactions that will enable utilization of cash and non-cash assets incoming to the account at Takasbank for collateral, and invoice payments, through Takasbank applications,
- c) Deposit the collateral with an amount reported by EPIAŞ in full and in due time to collateral accounts that were opened at Takasbank in their name for collateralizing payment obligations,
- ç) The fees and commissions requested from them in relation to collateral management and cash settlement service provided by Takasbank shall be timely and completely deposited to Takasbank
- d) Define account number of the intermediary bank to which receivables related to the invoice payments arising from YEK-G market and withdrawable cash collateral amounts in TRY, USD, and EUR terms will be sent

- e) Follow up sending invoice settlement receivables to the intermediary bank account
- f) Submit new authorized signatures list by immediately notifying Takasbank about the changes in authorized signatories in the list of authorized signatures that have been submitted to Takasbank,
- g) Ensure security of the user codes and security codes that have been given them by Takasbank,
- ğ) Perform their transactions in accordance with the matters stated in the rules of practice which has been published by Takasbank and announced by EPIAŞ to the market participants through the Market Management System

(2) According to the Regulation Regarding Measures Related To The Prevention Of Laundering Of Crime Revenues And Financing Terrorism, the participant accepts, declares, and guarantees that it has performed/will perform transactions in its own name for accounts at Takasbank, if a transaction is performed in the name of another person, it will notify Takasbank in written before performing the transaction and immediately present the documents related to the identification of the persons on behalf of whom it is acting according to the provisions of the above-mentioned regulation, otherwise Takasbank has the right to refrain from accepting the transactions and unilaterally terminate the agreements without sending a warning beforehand.

Suspension of activities of the member, and termination of membership

ARTICLE 9 - (1) Status of the participants of which authorization to trade in YEK-G Market is revoked are changed from “Active” to “Passive” in Takasbank System

(2) Obligations which are arising from the transactions present under the Procedure, belonging to the market participants of which activities are suspended or which are removed from membership by EPIAŞ, or which want to resign from membership according to their written request, continues.

(3) Takasbank has the power to take measures deemed necessary, including the ones stated below for completion of settlement transactions of the institution of which activities are suspended or which are removed from membership

- a) Prevent the member to perform transactions directly on accounts at Takasbank,
- b) Using members’ settlement receivables to pay off settlement debts,
- c) Recourse to the assets of the member in its free accounts at Takasbank

Transaction Accounts

ARTICLE 10 - (1) Transaction, and Commission, Accounts are opened automatically in the Takasbank system after completion of the membership process, and collateral accounts are opened automatically in the Takasbank system when collateral depositing transaction is realized by the participant.

(2) Settlement Transactions are realized through an “11- member free current account” at Takasbank.

Defining Intermediary Banks

ARTICLE 11 - (1) Members define account numbers of intermediary banks for automatic transfer of invoice settlement receivables from market, withdrawable cash collateral amounts in terms of TRY, USD, and EUR via EFT/SWIFT

CHAPTER THREE

Principles of Settlement

Responsibility of Takasbank

ARTICLE 12 - (1) Besides the obligations that Takasbank undertakes with this Procedure in relation to cash settlement and collateral management services, Takasbank is not responsible for the obligations of the members towards EPIAŞ and other Market Participants

General principles regarding Settlement

ARTICLE 13 - (1) Cash settlement transactions are realized through the Takasbank system

(2) Members can perform their transactions by accessing the Takasbank system through the web infrastructure provided by Takasbank.

(3) Rights and obligations of the members arising from transactions that are subject to settlement are concluded by Takasbank through determined accounts.

(4) There is no guarantee given by Takasbank regarding the completion of the transaction within the settlement date and period. Completion of settlement transactions in due time depends on the condition that the debtor member fulfills its obligations in due time

(5) Obligations related to the transactions performed in the Market are fulfilled by using relevant accounts at the settlement date.

a) Debt amount that has been reported by EPIAŞ, is collected from the free current account that was created at Takasbank.

b) Receivable amount that has been reported by EPIAŞ is automatically sent via EFT to the intermediary bank that has been defined by the member to modules in Takasbank YEK-G Market system, following its transfer to the free current account of the payee member that has been created at Takasbank

(6) It is essential that the currency type, from which transactions are realized, shall be used for payment of cash obligations arising from settlement operations.

Netting

ARTICLE 14 - (1) For invoice transactions, net debt/receivable information is calculated by performing participant-based netting through gross debt/receivable information sent monthly by EPIAŞ. The difference between net debt/receivable is calculated as EPIAŞ debt/receivable. Net debt/receivable information resulting from netting is shown based on periods on Takasbank applications.

Durations related to Settlement Operations

ARTICLE 15 - (1) Settlement periods are as follows

Invoice Debt Pay off	2. working day following notification date (T+2)	Until the end of the day
Invoice Automatic Debt Pay off	3. working day following notification date (T+3)	At the beginning of the day
Invoice Receivable distribution	the third working day following notification date and in the following days	Periods determined within the day
EFT (Within Minimum lower limit)	Twice a day	15:00 and 17:00

(2) Settlement period can be changed temporarily by the General Manager in situations where deemed necessary.

(3) Settlement transactions are not realized in half working days.

Collection of invoice debts

ARTICLE 16 - (1) Last payment day of invoice debt is the 2. Working day (T+2). Following notification date. Notification date is the date when invoice information is sent to Takasbank by EPIAŞ.

(2) Participants can pay off their cash debts from a free current account at Takasbank beginning from the notification date until the last payment date.

(3) In case EPIAŞ has a debt, the debt shall be paid off at the beginning of the last payment date from EPIAŞ current account that has been opened at Takasbank

(4) Cash debts that have not been paid off by the participants at the last payment date, are paid off automatically by the system from the free current account of the participant on the next working day (T+3). If the balance of the free account is not sufficient; without requiring any warning debts of the participant are appropriated by recourse to the following respectively:

- Excess Cash TRY YEK-G collateral (automatically),
- Cash TRY YEK-G collateral that has to be kept (automatically)
- Non-cash portion of YEK-G Transaction collateral (EUR and USD)

(5) Obligations of the debtor participant are fulfilled by liquidating the asset that is subject to the collateral in the best effort and with the best price, without the obligation to fulfill any precondition

(6) Default interest is not calculated for the debts paid off from the free account, from the excess of cash EFM collateral, and cash DGA contribution margins.

(7) Default interest is calculated for the debts paid off with non-cash TRY transaction collaterals

(8) Cash debts are paid off by transferring debts that have been collected until the last hour of the settlement from members' 11 free current accounts to "Invoice Settlement Pool" and by transferring debts that have been collected in the following days to "Invoice Default Pool" through Takasbank system. Partial debt payment is possible

Distribution of Invoice Receivables

ARTICLE 17 - (1) After the netting which has been performed according to invoice debt/receivable information reported by EPIAŞ, net receivable information is shown based on periods in modules of the Takasbank application

(2) Last payment date of invoice receivable is the 3. Working day following the notification date at the latest. The day when the invoices that are issued by the participants are approved by EPIAŞ is the notification date.

(3) After the invoice message reaches Takasbank and approved by EPIAŞ, EPIAŞ receivable distribution sequence number is determined. Priority orders for invoice receivable distribution shall be determined automatically by the system according to the receivable distribution sequence of EPIAŞ.

(4) Invoice receivable of EPIAŞ is recorded to EPIAŞ free current account at Takasbank as credit entry as long as the participants pay off debt beginning from notification date until the receivable is completed.

(5) The invoice receivable which has been recorded in EPIAŞ free account as a credit entry is sent to the intermediary bank account which is defined by EPIAŞ in the Takasbank System for YEK-G market at 15:00 every working day via EFT until the amount which is reported by EPIAŞ for transfer to its intermediary bank account is completed.

(6) Relevant period's invoice settlement and invoice default settlement pools are checked for determined periods and the receivable of the participant of which invoice receivable last payment date has come, shall be transferred to participant's free current account at Takasbank when sufficient balance is present. If there is not sufficient balance in invoice settlement and invoice default settlement pools for the relevant period, the next receivable shall be partially paid.

(7) The amounts that have been recorded in participants' free current account as credit entries shall be;

a) Appropriated for relevant debts with Spot Invoice Default, EFM Invoice Default, Spot Advance Default, and EFM Advance Default and YEK-G Invoice Default if the participant has overdue debts related to markets operated by the Market operator.

b) In case the letter of assignment of the participant is present, transferred to the participant's assignment account as much as the assignment amount via EFT.

c) Transferred to the intermediary bank account of the participant which it has defined for YEK-G market via EFT except for the daily assignment amount if any, in case the participant does not have a letter of assignment or it has an assignment

d) Sent to assignment account for bankruptcy court dealing except for the portion of assignment amount if there is an assignment for bankruptcy court dealing in the name of the participant

Assignment Transactions

ARTICLE 18 - (1) Participants are obliged to submit assignment agreements to EPIAŞ.

(2) Assignment conditions are defined by EPIAŞ in the Takasbank YEK-G market on a participant basis

(3) Assignment payments of the participants are performed daily.

(4) Invoice payments are performed by Takasbank according to assignment conditions based on the assignment information that EPIAŞ defined to the system.

(5) Assignment for bankruptcy court dealing definition can also be performed by Takasbank, according to reporting of legal authorities made to the Banks

CHAPTER FOUR

Principles Regarding Default Transactions

General default principles

ARTICLE 19 -(1) Default interest and other legal obligations which are calculated according to obligation amount that has not been fulfilled are collected from the member that has not fulfilled its obligation within determined settlement periods according to EPIAŞ regulations, by taking the periods stated in the first paragraph of Article 15.

principles regarding invoice default and damage payment.

ARTICLE 20 -(1) In case the market participant does not pay its invoice debt second working day following the notification date, and when the participant does not have sufficient balance in the free current account, and excess YEKG cash collateral in YEK-G cash TRY collateral portion, the participants are considered to go into default without requiring any warning and invoice default fine shall be calculated by Takasbank

(2) Unpaid debt amounts which have not been paid off by the participants and which cannot be met from participants' free current accounts, excess YEK-G TRY cash collaterals, and YEK-G cash TRY collateral portion, at the 3. working day following the notification date shall be taken into consideration for invoice default fine calculation

(3) Damage payment shall be calculated for the amount which is required to be paid if EPIAŞ does not pay the invoice amount to be paid to market participants within the third working day following the notification date of the invoice

(4) Receivable amounts that cannot be transferred to the participant in the last payment date are taken into consideration for invoice damage payment calculation

(5) Participants which have not paid off their invoice debt at the last payment date and of which invoice receivable has not been transferred at the last payment date, can track their default debt/receivable information through Takasbank application modules. EPIAŞ can report data of the participants

(6) Invoice default and damage information that has been calculated for the previous period are sent collectively to EPIAŞ on the first working day of each month.

Default fine and damage payment interest

ARTICLE 21 - (1) Interest rate which is used in the calculation of invoice default fine, is the monthly interest rate determined under article 51 of Law no. 6183 on the Procedure for Collection of Public Receivables for the payments made after the last payment date

(2) Interest rate which is used in the calculation of invoice damage payment, is the monthly interest rate determined under article 51 of the Law no. 6183 on the Procedure for Collection of Public Receivables for the payments made after invoice receivable last payment day

Invoice default fine and damage payment are calculated by the formula given below.

$$\begin{array}{l} \text{Invoice Default Fine} \\ \text{Damage Payment} \end{array} = \frac{\text{Base amount} * \text{Interest Rate}}{30} * \text{Days}$$

- (3) Default interest is calculated based on calendar days between the date of going default and the date when obligations are fulfilled
- (4) Minimum default base amount and its interest are determined by Market operator and announced to market participants through Market Management System. Default shall not be calculated for the amounts below the minimum default base amount. The minimum default interest amount shall be collected from the Market participant for the default interests calculated below the minimum default interest amount
- (5) For damage payments, the calculation shall be performed regardless of the minimum default interest amount
- (6) Damage payment shall not be made to the members for Takasbank and CBRT related delays.

Accrual, notification, and collection

ARTICLE 22 - (1) The amounts related to default interest and damage payment are reflected in the relevant market participant's invoice for the same period as debt/receivable.

CHAPTER FIVE

Collateral Transactions

Types of Collaterals

ARTICLE 23 – (1) The participants are required to keep transaction collateral under the title of “YEK-G transaction collateral” which is taken for the financial risks that may occur related to the invoice payments of the transactions that are performed by market participants in the YEK-G market, and of which sizes are determined by EPIAŞ.

YEK-G Transaction Collateral

ARTICLE 24 – (1) Participants are obliged to keep a sufficient amount of YEK-G transaction collateral determined by EPIAŞ in order to perform transactions in the market. Code of conduct related to collateral calculations are determined by EPIAŞ

(2) Total amount of YEK-G transaction collaterals that must be kept by the participants are reported by EPIAŞ to Takasbank. Information of existing YEK-G transaction collateral amounts of the Participants are sent by Takasbank to EPIAŞ at requested hours

(3) If the total collateral amount of the participant decreases below the total amount of collateral required to be kept, the information about insufficient collateral shall be reported to participants by Takasbank through the application of Takasbank, SMS, and e-mail.

(4) Participants are obliged to submit letter of guarantee type collaterals to EPIAŞ and to keep collaterals other than letters of guarantee in collateral accounts at Takasbank

(5) The participants are required to complete the insufficient collaterals that they are required to deposit to the total collateral amount that they are obliged to present in order to be able to continue YEK-G market operations by performing collateral depositing transaction

(6) The participants can fulfill their YEK-G transaction collateral obligations with Turkish Lira, Foreign Currency (EURO, US Dollar), and Letter of guarantee

(7) Assets to be accepted as collaterals, valuation coefficients related to collaterals, the composition of collaterals, are determined by EPIAŞ in accordance with the opinion of the Central Settlement Institution

Assets that are accepted by Takasbank as Collaterals

ARTICLE 25 – (1) The participants are obliged to deposit to their accounts at Takasbank the ones listed below among the ones accepted by EPIAŞ to be presented as collateral for fulfilling their obligations arising from settlement transactions,

- a) Cash (Turkish Lira)
- b) Foreign Currency (EUR, USD)

Valuation of Collaterals

ARTICLE 26 – (1) Below valuation coefficients are applied on the assets that are accepted as collaterals.

Collateral Type	Collateral Group	Valuation Haircut
TRY	TL	1,00
Foreign Currency (EUR,USD)	DVZ	0,95
Letter of Guarantee (TRY)	TM	1,00
Letter of Guarantee (EUR and USD)	TM	0,95

(2) Collaterals are subjected to valuation by Takasbank at the end of the day. For the valuation of collaterals in Foreign Currencies (USD and EUR), and Letter of Guarantees in Foreign Currencies, Daily exchange buy rates that are published by CBTR are used

Depositing Collaterals

ARTICLE 27 – (1) Members shall deposit collaterals to collateral accounts through the Takasbank system.

(2) Collateral Depositing transactions can be performed within the hours when the system is open. Collateral depositing transactions cannot be performed in half working days, and these days are accepted as a full holiday.

(3) The members can give written orders for depositing collaterals; in this case, collateral depositing transactions shall be performed by Takasbank users on behalf of market participants.

Collateral Withdrawal

ARTICLE 28 – (1) Members can perform collateral withdrawal transactions through the Takasbank system to their free accounts or to intermediary accounts which they have defined into the Takasbank system for the YEK-G market

(2) The members can withdraw the excess collateral amount if they keep the collateral amount more than the YEK-G transaction collateral amount which is required to be kept and reported by EPIAŞ

(3) Withdrawn collaterals are sent automatically to intermediary bank accounts via EFT or SWIFT upon the request of the Market participant

(4) Market participants, can perform YEK-G transaction collateral withdrawal transactions between 09.30 and 09.58 every working day. Collateral withdrawal transactions cannot be performed in half working days, and these days are accepted as full holiday

(5) Members can pay off their market and commission debts with the cash collateral amount that they have transferred to free their accounts before the last hour of collateral withdrawal.

(6) The members can give written orders for collateral withdrawal; in this case, the collateral withdrawal transaction is realized by Takasbank users on behalf of the market participant

(7) In case information of total collaterals that are required to be kept, are reported by EPIAŞ to Takasbank more than once, participants that have insufficient collaterals are informed again according to the last reported amounts.

Margin Call

ARTICLE 29 - (1) In principle, a Margin call is performed in the digital medium through Takasbank applications. Afterward, Takasbank send the margin call through a digital medium, the participant is considered to have taken the call without requiring other warning and notification

(2) The participant to which margin call is sent, deposits the collaterals except for the letter of guarantees to Takasbank

(3) As acceptance and keeping of the letter of guarantees are performed by EPIAŞ, their depositing as collaterals in the Takasbank system on behalf of the participant are realized by EPIAŞ

(4) Letter of guarantees is presented to the market operator and other collaterals other than letters of guarantee are presented to Central Settlement.

Interest Accrual on Cash Collaterals

ARTICLE 30 - (1) Collaterals in Turkish Lira that have been deposited by the members are accrued interest in the best conditions possible by Takasbank, after deducting the portion to be allocated to required reserve by taking credit risk and liquidity conditions into consideration. Investing operation is performed within Takasbank limits

(2) The remaining balance by means of deducting taxes, other legal obligations, and Takasbank commission during distribution, from gross accrued interest amount obtained as the result of the investment, are added to the relevant accounts as accrued interest

(3) Interest accrual last hour is 15.40 in working days and 10.45 in half working days

(4) The interest accrual process shall not be conducted for the members that do not wish to earn interest. The related choice must have been entered into and defined in the system before the cut-off time for interest accruals.

Membership commission collaterals and their properties

ARTICLE 31 - (1) The participants that have Takasbank membership collateral of the spot electricity market are exempt from YEK-G membership collateral

- (2) The participants that do not have membership collateral in the spot electricity market or that have a collateral deficit, are obliged to deposit membership collateral for YEK-G membership or cover the collateral
- (3) If the collateral amount falls short of the amount that is required to be kept after monthly collections of commissions, the deficit is completed by the participants. Membership commission collaterals that have not been covered or have left insufficient, are unilaterally collected from member's free accounts by Takasbank.
- (4) Membership commission collaterals do not accrue interest.

CHAPTER SIX

Various Provisions

Fees and Commissions

ARTICLE 32 - (1) Cash settlement, collateral management, and commissions of accrued interest and other fees related to collateral services within the scope of the procedure are announced by Takasbank to the members in the fee tariff presented in the website by taking the opinion of EPIAŞ

(2) The fee is accrued in the course of the transaction or monthly according to the properties of the transaction and is collected from the participant's account at Takasbank.

(3) Commission amount which is not objected to within 3 working days beginning from accrual date, are considered as accepted.

(4) Participants can manually pay their commission debts that have been accrued monthly within 6 days beginning from the accrual date by using the balance in their free accounts by selecting "Takasbank commission debt payment" through the "payment transactions" module within the Electricity Market menu, as well as by directly transferring cash amounting to debt amount to membership collateral account and/or commission account.

(5) YEK-G and spot electricity market commissions are combined and accrued monthly to member's commission account

(6) Monthly commissions that have not been paid in due time are collected unilaterally from the free account and membership commission collateral account of the members respectively

Disciplinary Provisions

ARTICLE 33 - (1) The disciplinary provisions provided in chapter seven of the Central Clearing and Settlement Regulation shall apply for the members not complying with the obligations specified herein.

Code of Conduct

ARTICLE 34 – (1) Takasbank is entitled and authorized to interpret the provisions of this procedure, and to take decisions by considering also the general provisions for any issues not specified or clarified herein.

PROVISIONAL ARTICLE 1 - (1) The regulations that are determined by this Procedure abolish the General Letters with which these regulations were announced previously.

Enforcement

ARTICLE 35 – (1) The procedure shall enter into force on the date of its publication

Execution

ARTICLE 36 - (1) The provisions of the Procedure shall be executed by the General Manager.