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Document	Type	Announcement
	No	2021/ 66
	Subject	Changes in Derivatives Market Procedure
	Apr Date	16 / 09 / 2021
	From	Derivatives Market
	To	Members, Data Vendors and Independent Software Vendors (ISVs)

To Whom It May Concern

The following changes will be effective at Borsa Istanbul Derivatives Market:

- Order cancellations in Dollar/Ounce Platinum and Dollar/Ounce Palladium Futures contracts, which will be launched on 17/09/2021, will be exempted from voluntary order cancellation fee.
- Limited to the specified conditions in the Derivatives Market Procedure, our members will only be allowed to send order cancellation requests by phone or e-mail.
- For the half business days, deadline of application for erroneous trade cancellation will be 13:00 and the time after which the increased loss amount criterion applies will be 12:00.
- Temporary withdrawal from market making program will be limited to maximum 1 (one) year.
- Derivatives Market Procedure will be updated with the following changes as specified in the Attachment:
  - o Timing of VIOP\_YAYIN ve VIOP\_YAYIN\_AS trading day sections will be updated in the related tables in line with the current practice
  - o Explanatory statements regarding stop orders and definitions and rules regarding BIST\_DURDURMA trading day section will be added.

The Derivatives Market Procedure will be updated as in the Attachment. The updated version of the Derivatives Market Procedure will be effective as of September 17, 2021 and can be reached from Borsa İstanbul website under "Corporate" tab, "About Borsa İstanbul" section, "Regulations" heading (<https://www.borsaistanbul.com/en/sayfa/4028/procedures>)

Kindly for your information.

Yours Sincerely,

Korkmaz ERGUN  
CEO and Board Member

Attachment: Changes in Derivatives Market Procedure (8 pages)

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## Attachment : Changes in Derivatives Market Procedure

OLD TEXT	REVISION
<p>...</p> <p><b>19. Trade cancellation</b></p> <p>...</p> <p>b) All requirements stated below shall be fulfilled in time of cancellation request since erroneous trade/trades may be subject to cancellation.</p> <p>...</p> <p>i. Application Period For Erroneous Trade Cancellation: Application for erroneous trade cancellation can be made within 30 minutes from the time the trade is executed. Deadline of application for trade cancellation is 18:30 for normal session trades.</p> <p>...</p> <p>iv. Minimum Loss Amount Generated As A Result of Trade/Trades Which Is/Are Subject To Cancellation: Minimum loss amount calculated by comparing reference price and prices of trade/trades subject to erroneous trade cancellation shall be TRY 25,000 for applications before 17:30 and TRY 100,000 for applications made at 17:30 and after during the normal session, and TRY 25,000 for the applications made during the evening session.</p> <p>...</p>	<p>...</p> <p><b>19. Trade cancellation</b></p> <p>...</p> <p>b) All requirements stated below shall be fulfilled in time of cancellation request since erroneous trade/trades may be subject to cancellation.</p> <p>...</p> <p>i. Application Period For Erroneous Trade Cancellation: Application for erroneous trade cancellation can be made within 30 minutes from the time the trade is executed. Deadline of application for trade cancellation is 18:30 for <u>full business day</u> normal session trades <u>and 13:00 for half business day normal session trades</u>.</p> <p>...</p> <p>iv. Minimum Loss Amount Generated As A Result of Trade/Trades Which Is/Are Subject To Cancellation: Minimum loss amount calculated by comparing reference price and prices of trade/trades subject to erroneous trade cancellation shall be TRY 25,000 for applications before 17:30 <u>for full business day normal session and before 12:00 for half day-normal session</u>; TRY 100,000 for applications made at 17:30 and <u>thereafter during the normal session, for half day normal session at 12:00 and thereafter during the half day normal session</u>; and TRY 25,000 for the applications made during the evening session.</p> <p>...</p>
<p><b>26. Principles Regarding the Orders for the Evening Session</b></p> <p>The orders should be flagged accordingly during entrance, to be valid in the Evening Session. In Evening Session market and market to limit order types and GTD, GTC order validities are not allowed. GTD and GTC orders without off-hour flag are paused while entering Evening Session by the System. Those orders are taken to active status with time priority while entering Normal Session.</p>	<p><b>26. Principles Regarding the Orders for the Evening Session</b></p> <p>The orders should be flagged accordingly during entrance, to be valid in the Evening Session. In Evening Session market and market to limit order types and GTD, GTC order validities are not allowed. GTD and GTC orders without off-hour flag are paused while entering Evening Session by the System. Those orders are taken to active status with time priority while entering Normal Session.</p>

<p>Daily orders entered in Normal Session without off-hour flag are cancelled at the end of related Normal Session. Daily orders entered in Normal Session with off-hour flag and day orders entered in Evening Session are cancelled at the end of Evening Session. There will be different price limits in Normal Session and Evening Session. So it is possible for an off-hour order, entered in Normal Session, to be "paused" in case the price turns out of limits in Evening Session.</p> <p><del>In Evening Session</del> GTC/GTD stop orders may be entered. <del>But GTC/GTD stop orders</del> will be cancelled once they are triggered during Evening Session.</p> <p>Intermonth Strategy Orders are not allowed in Evening Session.</p>	<p>Daily orders entered in Normal Session without off-hour flag are cancelled at the end of related Normal Session. Daily orders entered in Normal Session with off-hour flag and day orders entered in Evening Session are cancelled at the end of Evening Session. There will be different price limits in Normal Session and Evening Session. So it is possible for an off-hour order, entered in Normal Session, to be "paused" in case the price turns out of limits in Evening Session.</p> <p>GTC/GTD stop orders may be entered <u>in evening session, and in normal session with off-hour flag. However, these</u> orders will be cancelled once they are triggered during Evening Session.</p> <p>Intermonth Strategy Orders are not allowed in Evening Session.</p>
<p><b>31. Order cancellation</b></p> <p>Order cancellations on all contracts based on currency, gold and silver are <u>held</u> exempted from Voluntary Order Cancellation Fee.</p>	<p><b>31. Order cancellation</b></p> <p>Order cancellations on all contracts based on currency, gold, silver, <u>platinum and palladium</u> are exempted from Voluntary Order Cancellation Fee.</p>
<p><b>44. Temporary or permanent withdrawal from market making and withdrawal of authorization</b></p> <p>Market making authority may be cancelled by the General Manager ex-officio or upon the application of the market maker. The market maker shall notify the Exchange in written form stating the request to withdraw from market making temporarily or permanently. The market makers that are withdrawn from market making with approval of the Exchange may be market maker again upon their application. General Manager is authorized to decide on this matter.</p> <p>If market making authorization is cancelled as a result of market maker application or negative performance the exchange fee discount and rebate amounts obtained in the last three months due to market making activity must be returned.</p>	<p><b>44. Cancellation of Market Making Authorization</b></p> <p>Market making authority may be cancelled <u>temporarily or permanently</u> by the General Manager ex-officio or upon the application of the market maker. The market maker shall notify the Exchange in written form stating the request to withdraw from market making temporarily and permanently.</p> <p><u>Temporary withdrawal from market making can be requested for a maximum period of one year. Those whose request is accepted and market maker authorization is temporarily cancelled by the General Manager may continue their market making activity at the end of the specified period with rights and obligations valid at that time. The General Manager's ex-officio to cancel authority of market maker before resuming market maker activity is reserved.</u></p>

<p>48. Principles for order submission via telephone</p> <p><del>It is essential that connection methods stated in this Implementing Procedures and Principles are used for connection to the Market. However, due to technical disruptions mainly from telecommunication based problems, affecting some number of Market members, order submission via telephone can be accepted only during Normal Session within the rules below. In this regard, for Market members who could not connect to the System for other reasons not stemming from their side, can be allowed to make order entries/order amendments/order cancellations only during Normal Session whereas Market members who could not connect due to the technical problems from their side, can be allowed to make only order cancellations via telephone during the Normal Session and Evening Session within the rules set below and will be transmitted to the System as requested.</del></p> <p><del>1. Orders can not be accepted if at least one of the user of the Market Member can connect to the system.</del></p> <p><del>2. Market members who could not connect due to the technical deficiencies/inadequacy from their side, are allowed to make only order cancellations via telephone. Even if the above conditions are met, the Exchange has the right of not accepting order submissions via telephone.</del></p>	<p>The market makers whose request to withdraw <u>permanently</u> from market making is approved by the General Manager may be market maker again upon their application. The General Manager is authorized to decide on this matter.</p> <p>If market making authorization is cancelled as a result of market maker application or negative performance the exchange fee discount and rebate amounts obtained in the last three months due to market making activity must be returned.</p> <p><u>The cancellation of the market maker authorization does not affect the authorization to trade in the Market.</u></p>
	<p><u>48. Cancellation of Pending Orders by Phone or E-mail</u></p> <p><u>In case market members could not connect to system due to technical disruptions and provided that there is no operational and technical risk, order cancellation requests via telephone or e-mail may be accepted regarding the availability of the sources and principle of best effort within the rules below.</u></p> <p>a) <u>Order cancellation requests may only be accepted via phone in which conversations are recorded and from member e-mail addresses. Accordingly, +90 212 298 24 27 (Dial: 3) numbered phone or viop@borsaistanbul.com e-mail address may be used to reach a Derivatives Market staff.</u></p> <p>b) <u>Market staff may cancel the orders with her own user on behalf of member when broker/chief broker applied for order cancellation with phone or e-mail and required security checks completed if necessary.</u></p> <p>c) <u>During order cancellation request, order number, contract or strategy order code, account number, order method, side, price and quantity have to be specified to market staff. However, if it is required to cancel all orders of the member/user/account in any or all instrument/instrument class/type, the necessary information to make relevant distinction is sufficient. In any case, market staff may request additional information for confirmation if necessary.</u></p>

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3. For order submission via telephone, it is required to be reach the Derivatives Market Experts over the phone number +90 212 298 24 27 (Dial:3) for which conversations are recorded on electronic media.

4. In case of Broker/Chief Broker's request of order submission via telephone, authorized Derivatives Market staff may make order entry/order amendments/order cancellations on behalf of the Market Member after the completion of required security checks.

5. Below information has to be specified while order transmission via telephone: a. Buy/Sell b. Contract OR Strategy Code c. Account Number e. Order Type d. Price detail if limit order e. Order Quantity f. Stop condition details such as contract and activation price if the order is stop order g. Order Validity g. Date if the order is "Good Till Date" h. Reference information i. Position (default, open, close, net) closing information

6. Within the framework of above aspects, main factors such as order, contract, account number, price and quantity will be transmitted to the System after the approval of Market member's representative.

APPENDIX-3: EXPLANATIONS ON TRADING DAY SECTIONS AND VIOP'S TRADING AND DAILY WORKFLOW HOURS

A) DAILY WORKFLOW HOURS AND TRADING DAY SECTIONS OF CONTRACTS EXCLUDED FROM EVENING SESSION

FULL BUSINESS DAY	
SUB-MARKET	SESSION HOURS
Equity Derivatives Market	09:30-18:10
Other Derivatives Markets	09:30-18:15
TRADING DAY SECTIONS	
TRADING DAY SECTIONS	HOURS
VIOP_SEANS_ONCEST	07:30:00
VIOP_SUREKLI_MZYD	09:30:00
VIOP_SEANS_SONU	18:10:00/18:15:00
VIOP_UF_ILANI	18:55:00+

c) The pending orders that are requested to be cancelled may be matched and turned into trade until canceled by the market staff. The Member cannot request the cancellation of these trades, without prejudice to the provisions of this Procedure regarding the cancellation of the trades due to erroneous orders or orders.

d) The market member who requests order cancellation via phone is regarded to accept that the phone call records taken by the Exchange and the Exchange orderbook, records and documents on which the order cancellations are reflected will be final and valid evidence, that she has no objection to the trades realized until the cancellation, and that she accepts the errors which may be made while entering the requests received via phone to the system and their consequences.

APPENDIX-3: EXPLANATIONS ON TRADING DAY SECTIONS AND VIOP'S TRADING AND DAILY WORKFLOW HOURS

A) DAILY WORKFLOW HOURS AND TRADING DAY SECTIONS OF CONTRACTS EXCLUDED FROM EVENING SESSION

FULL BUSINESS DAY	
SUB-MARKET	SESSION HOURS
Equity Derivatives Market	09:30-18:10
Other Derivatives Markets	09:30-18:15
TRADING DAY SECTIONS	
TRADING DAY SECTIONS	HOURS
VIOP_YAYIN	System Startup
VIOP_SEANS_ONCEST	07:30:00
VIOP_SUREKLI_MZYD	09:30:00
VIOP_SEANS_SONU	18:10:00/18:15:00



VIOP_GUNSONU_N	19:00:00+
<del>VIOP_YAYIN</del>	<del>23:30:00+</del>

**B) DAILY WORKFLOW HOURS AND TRADING DAY SECTIONS OF CONTRACTS INCLUDED IN EVENING SESSION**

FULL BUSINESS DAY	
CONTRACT	SESSION HOURS
Contracts Included in Evening Session	
09:30-18:15 & 19:00-23:00	
TRADING DAY SECTIONS	
	HOURS
VIOP_SEANS_ONCESI_AH	07:30:00
VIOP_SUREKLI_MZYD	09:30:00
VIOP_SEANS_SONU	18:15:00
VIOP_UF_ILANI	18:45:00+
VIOP_GUNSONU	18:46:00+
VIOP_AS_ONCESI	18:50:00
VIOP_AS_SUREKLI_MZYD	19:00:00
VIOP_AS_SONU	23:00:00
VIOP_GUNSONU_AS	23:15:00
<del>VIOP_YAYIN_AS</del>	<del>23:30:00+</del>

Evening Session does not held at the last trading day of the calendar year.

**C) HALF DAY WORKFLOW HOURS AND TRADING DAY SECTIONS OF CONTRACTS EXCLUDED FROM EVENING SESSION**

HALF BUSINESS DAY	
SUB-MARKET	SESSION HOURS
Equity Derivatives Market	09:30-12:40
Other Derivatives Markets	09:30-12:45
TRADING DAY SECTIONS	
	HOURS
VIOP_SEANS_ONCESI	07:30:00
VIOP_SUREKLI_MZYD	09:30:00
VIOP_SEANS_SONU	12:40:00/12:45:00
VIOP_UF_ILANI	13:25:00+

VIOP_UF_ILANI	18:55:00+
VIOP_GUNSONU_N	19:00:00+

**B) DAILY WORKFLOW HOURS AND TRADING DAY SECTIONS OF CONTRACTS INCLUDED IN EVENING SESSION**

FULL BUSINESS DAY	
CONTRACT	SESSION HOURS
Contracts Included in Evening Session	
09:30-18:15 & 19:00-23:00	
TRADING DAY SECTIONS	
	HOURS
VIOP_YAYIN_AS	<u>System Startup</u>
VIOP_SEANS_ONCESI_AH	07:30:00
VIOP_SUREKLI_MZYD	09:30:00
VIOP_SEANS_SONU	18:15:00
VIOP_UF_ILANI	18:45:00+
VIOP_GUNSONU	18:46:00+
VIOP_AS_ONCESI	18:50:00
VIOP_AS_SUREKLI_MZYD	19:00:00
VIOP_AS_SONU	23:00:00
VIOP_GUNSONU_AS	23:15:00

Evening Session does not held at the last trading day of the calendar year.

**C) HALF DAY WORKFLOW HOURS AND TRADING DAY SECTIONS OF CONTRACTS EXCLUDED FROM EVENING SESSION**

HALF BUSINESS DAY	
SUB-MARKET	SESSION HOURS
Equity Derivatives Market	09:30-12:40
Other Derivatives Markets	09:30-12:45
TRADING DAY SECTIONS	
	HOURS
VIOP_YAYIN	<u>System Startup</u>
VIOP_SEANS_ONCESI	07:30:00
VIOP_SUREKLI_MZYD	09:30:00
VIOP_SEANS_SONU	12:40:00/12:45:00

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VIOP_GUNSONU_N	13:30:00+
<del>VIOP_YAYIN</del>	<del>23:30:00+</del>

**D) DAILY WORKFLOW HOURS AND TRADING DAY SECTIONS OF CONTRACTS INCLUDED IN EVENING SESSION**

HALF BUSINESS DAY	
CONTRACT	SESSION HOURS
Contracts Included in Evening Session	09:30-12:45
TRADING DAY SECTIONS	HOURS
VIOP_SEANS_ONCESI_AH	07:30:00
VIOP_SUREKLI_MZYD	09:30:00
VIOP_SEANS_SONU	12:45:00
VIOP_UF_ILANI	13:25:00+
VIOP_GUNSONU_N	13:30:00+
<del>VIOP_YAYIN_AS</del>	<del>23:30:00+</del>

VIOP_UF_ILANI	13:25:00+
VIOP_GUNSONU_N	13:30:00+

**D) DAILY WORKFLOW HOURS AND TRADING DAY SECTIONS OF CONTRACTS INCLUDED IN EVENING SESSION**

HALF BUSINESS DAY	
CONTRACT	SESSION HOURS
Contracts Included in Evening Session	09:30-12:45
TRADING DAY SECTIONS	HOURS
<del>VIOP_YAYIN_AS</del>	<del>System Startup</del>
VIOP_SEANS_ONCESI_AH	07:30:00
VIOP_SUREKLI_MZYD	09:30:00
VIOP_SEANS_SONU	12:45:00
VIOP_UF_ILANI	13:25:00+
VIOP_GUNSONU_N	13:30:00+

TRADING DAY SECTIONS	EXPLANATIONS
VIOP_ARA	<p>It is the no trade period if there is a trading halt or the time between the creation of flexible contract and opening to trade.</p> <p>Order entry and amendment are not allowed.</p> <p>Orders can be cancelled.</p> <p>Trade reporting is not allowed.</p>

TRADING DAY SECTIONS	EXPLANATIONS
<u>BIST_DURDURMA</u>	<p><u>It is used for trading halt.</u></p> <p><u>Order entry, cancellation and amendment are not allowed.</u></p> <p><u>Trade reporting is not allowed.</u></p>
VIOP_ARA	<p>It is the no trade period if there is a trading halt or the time between the creation of flexible contract and opening to trade.</p> <p>Order entry and amendment are not allowed.</p> <p>Orders can be cancelled.</p>

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Trade reporting is not allowed.

Types of Orders That Can Be Entered According to Trading Day Segments

Trading Day Segments	Order Type		Order Validity					Order Amend/Cancel					Other						
	A	B	C	D	H	I	J	K	L	M	N	O	P	R	S	T	U	V	Y
BIST DUR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DURMA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
VIOP_AR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1
A																			

# APPENDIX-6: PRE-TRADE RISK MANAGEMENT

2.6 Exceptions for Risk Group Checks

Stop Orders

Stop orders may have conditions to be triggered by price or by session. Until the condition is realized, these orders are untriggered.

# APPENDIX-6: PRE-TRADE RISK MANAGEMENT

2.6 Exceptions for Risk Group Checks

Stop Orders

Stop orders may have conditions to be triggered by price or by session. Until the condition is realized, these orders are untriggered. Untriggered orders do not consume risk group limit at the time of order entry. Risk group limit consumption is calculated at the time of trigger for these orders. Price tolerance limit is not valid for stop orders.

# APPENDIX-14: CONFIRMATION FORM FOR ORDER SUBMISSION VIA TELEPHONE

To Borsa İstanbul A.Ş. Derivatives Market

We claim, declare, accept and promise these statements below that our order entry/order amendment/order cancellations (orders) (the details of which are

Appendix numbers and references to appendix numbers have changed respectively.



~~attached) requested to be submitted to the System with the help of the authorized Exchange staff from the telephone number ..... on the date of ..... and if necessary, password and user codes belonging to our company may be used and records of telephone conversations by the Exchange media during the issuance of orders, and any errors that may be made with regard to orders issued by telephone and the results at the Exchange books, records and documents to be issued as a result of entering orders into the system shall be final and valid evidence. We accept any mistakes that may be made due to order submission via telephone.~~

~~Date:~~

~~Authorized Signatory:~~

