

Unofficial Translation

Readers should be aware that only the original Turkish text has legal force and that this English translation is strictly for reference. Borsa Istanbul does not undertake any responsibility for its accuracy nor be held liable for any loss or damages arising from or related to its use.

Document	Type	Announcement
	Subject	Changes in Operating Principles of Derivatives Market
	Prepared by	Borsa İstanbul Derivatives Market (VIOP)
	Distribution	VIOP Members, Data Vendors and Independent Software Vendors (ISVs)

To Whom It May Concern

- a) The functionality of “submitting trade cancellation requests via BISTECH Trading Workstation (TW)”, will be available with the release date of BISTECH version (2.17).
- b) The following changes will be valid as of June 03, 2022:

- The minimum amount of loss realized from erroneous transaction/transactions cancellation is determined as the following:

For normal session;

- A minimum of 50,000 TL for applications made before 17:30 on a full business day (before 12:00 on a half business day),
- A minimum of 200,000 TL for applications made on or after 17:30 on a full business day (and or after 12:30 on a half business day),

For applications made for evening session, a minimum of 50,000 TL,

- Currently applied daily price limits of 10% in the Single Stock, BIST 30, BIST Liquid Banks Index and BIST Liquid 10 Ex Banks Index Futures are also stated as a footnote in the Derivatives Market Procedure,
- Daily price limits for electricity futures contracts are increased to 20%,
- In order to simplify the Derivatives Market Procedure, attached comparison table is prepared to indicate the revisions.

Derivatives Market Procedure will be updated as in Attachment-1. The updated version of Derivatives Market Procedure will be available on Borsa İstanbul website under “Corporate” tab, “Regulations” section (<https://www.borsaistanbul.com/en/sayfa/4028/procedures>) as of above mentioned effective dates.

Kindly for your information.

Korkmaz ERGUN
CEO and Board Member

Attachment: Changes in Borsa İstanbul A.Ş. Derivatives Market Procedure

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Attachment: Changes in Borsa İstanbul A.Ş. Derivatives Market Procedure

OLD TEXT	NEW TEXT
<p>14. Partitioning</p> <p>The System consists of two partitions in order to optimize the order processing and speed capacity and all the contracts are distributed into these two partitions.</p> <p>Group 1: Single stock futures and option contracts written on AEFES AKBNK-ALKIMARCLK ASELS BIMAS CCOLA DOHOL ECILC EKGYO ENJSA-EREGL FROTO GARAN GUBRF HALKB HEKTS ISCTR ISFIN ISGYO</p> <p>Group 2: All futures and option contracts that are not included in Group 1</p> <p>...</p>	<p>14. Partitioning</p> <p>The System consists of two partitions in order to optimize the order processing and speed capacity and all the contracts are distributed into these two partitions.</p> <p>...</p>
<p>19. Trade cancellation</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 for full business day normal session and before 12:00 for half day normal session; TRY 100,000 for applications made at 17:30 and thereafter during the normal session, for half day normal session at 12:00 and thereafter during the half day normal session; and TRY 25,000 for the applications made during the evening session.</p> <p>...</p> <p>ç) Erroneous trade cancellation requests which fulfill all the requirements stated above can be submitted by either one or both sides of the trade via e-mail to viop@borsaistanbul.com. Members can also reach VIOP via telephone numbered 0212 298 2427/3, however to be a valid cancellation request an e-mail has to be sent to viop@borsaistanbul.com.</p> <p>...</p>	<p>19. Trade cancellation</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 <u>50</u>,000 for applications before 17:30 for full business day normal session and before 12:00 for half day normal session; TRY <u>200</u>,000 for applications made at 17:30 and thereafter during the normal session, for half day normal session at 12:00 and thereafter during the half day normal session; and TRY <u>50</u>,000 for the applications made during the evening session.</p> <p>...</p> <p>ç) Erroneous trade cancellation requests which fulfill all the requirements stated above can be submitted by either one or both sides of the trade via <u>Trading Workstations (TW, Omnet API) or</u> e-mail to viop@borsaistanbul.com. <u>Cancellation requests for erroneous trade at Evening Session can be submitted by only via e-mail to viop@borsaistanbul.com.</u> Members can also reach VIOP via telephone numbered 0212</p>

	298 2427/3, however to be a valid cancellation request an e-mail has to be sent to viop@borsaistanbul.com. ...
32. Order cancellation ... Market maker accounts of market maker members are held exempted from Voluntary Order Cancellation Fee for the contracts they are responsible as a market maker. This provision shall not apply for BIST 30 futures contracts. ...	32. Order cancellation ... Market maker accounts of market maker members are held exempted from Voluntary Order Cancellation Fee for the <u>instrument class</u> they are responsible as a market maker. ...
APPENDIX-1: CONTRACT SPECIFICATIONS OF BORSA İSTANBUL DERIVATIVES MARKET ... B. Single Stock Futures Contract ... <div> <div>Base Price and Daily Price Limit</div> <div>... Daily price limit is equal to $\pm 20\%$ of the base price determined for each contract. If the upper or lower limit so calculated does not correspond to a price tick, the upper limit will be rounded to the lower price tick; and the lower limit, to the upper price tick.</div> </div> ... D. BIST 30 Futures Contract E. BIST Liquid Banks Futures Contract F. BIST Liquid 10 Ex Banks Futures Contract ... <div> <div>Base Price and Daily Price Limit</div> <div>... Daily price limit is equal to $\pm 15\%$ of the base price in the Normal Session and $\pm 3\%$ of the base price in the Evening Session for each contract. If the upper or lower limit so calculated does not correspond to a price tick, the upper limit will be rounded to the</div> </div>	APPENDIX-1: CONTRACT SPECIFICATIONS OF BORSA İSTANBUL DERIVATIVES MARKET ... B. Single Stock Futures Contract ... <div> <div>Base Price and Daily Price Limit</div> <div>... Daily price limit is equal to $\pm 20\%$ (*) of the base price determined for each contract. If the upper or lower limit so calculated does not correspond to a price tick, the upper limit will be rounded to the lower price tick; and the lower limit, to the upper price tick.</div> </div> <p><u>(*) The daily price limit of single stock futures contract is applied 10% until a second notice, according to the Announcement, dated 12/03/2020 and numbered 2020/20</u></p> ... D. BIST 30 Futures Contract E. BIST Liquid Banks Futures Contract F. BIST Liquid 10 Ex Banks Futures Contract ... <div> <div>Base Price and Daily Price Limit</div> <div>... Daily price limit is equal to $\pm 15\%$ (*) of the base price in the Normal Session and $\pm 3\%$ of the base price in the Evening Session for each contract. If the upper or lower limit so calculated does not correspond to a price tick, the upper limit will be</div> </div>

	lower price tick; and the lower limit, to the upper price tick.
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...

- U. Yearly Base-Load Electricity Futures Contracts
- V. Quarterly Base-Load Electricity Futures Contract
- W. Base-Load Electricity Futures Contract

...

Base Price and Daily Price Limit	... Daily price limit is equal to $\pm 10\%$ of the base price determined for each contract. If the upper or lower limit calculated does not correspond to a price tick, the upper limit will be rounded to the lower price tick; and the lower limit, to the upper price tick
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APPENDIX-2: MARKET DEFINITION LIST

SUB-MARKET CODE/NAME	MARKET SEGMENT CODE/NAME	UNDERLYING
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...

APPENDIX -10: NORMAL SESSION OBLIGATIONS OF MARKET MAKERS

Market Segment	Contracts for which the Market Maker is Responsible	Spread Requirements**	Market Presence ***
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APPENDIX -11: NORMAL SESSION RIGHTS OF MARKET MAKERS

	rounded to the lower price tick; and the lower limit, to the upper price tick.
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(*) The daily price limit of BIST Index futures contract is applied 10% until a second notice, according to the Announcement, dated 12/03/2020 and numbered 2020/20

...

- U. Yearly Base-Load Electricity Futures Contracts
- V. Quarterly Base-Load Electricity Futures Contract
- W. Base-Load Electricity Futures Contract

...

Base Price and Daily Price Limit	... Daily price limit is equal to $\pm 20\%$ of the base price determined for each contract. If the upper or lower limit calculated does not correspond to a price tick, the upper limit will be rounded to the lower price tick; and the lower limit, to the upper price tick
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...

APPENDIX-2: MARKET DEFINITION LIST

For the 105/VIOP Equity Derivatives Market in the table, the practice of specifying the equity codes in the “Underlying Asset” column has been terminated.

APPENDIX -10: NORMAL SESSION OBLIGATIONS OF MARKET MAKERS

The equity codes in the "Contracts for which the Market Maker is Responsible" column has been deleted for single stock futures and option contracts.

APPENDIX -11: NORMAL SESSION RIGHTS OF MARKET MAKERS

Market Segment	Underlying Asset	MM Portfolio Account Exchange Fee Discount	MM Activities through Customer Accounts - Exchange Fee Discount	Exemption of Voluntary Order Cancellation Fee (For MM Accounts)	Revenue Share Ratios	Trade Value Coefficient	Market Presence Ratio Coefficient	Connection Incentives*
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APPENDIX-18: BORSA İSTANBUL A.Ş. DERIVATIVES MARKET PROCEDURE REVISION COMPARISON TABLE

The Table is removed.

The equity codes in the " Underlying Asset" column has been deleted for single stock futures and option contracts.

APPENDIX-18: BORSA İSTANBUL A.Ş. DERIVATIVES MARKET PROCEDURE REVISION COMPARISON TABLE

“Borsa İstanbul A.Ş. Derivatives Market Procedure Revision Comparison Table Document” contains Revision Comparison Table.

Note: Information on the equity codes removed from Annex-2, Annex-10 and Annex-11 will be available on the Borsa İstanbul website.