


Document	Name	PROCEDURE ON BORSA İSTANBUL MONEY MARKET	
	Type	PROCEDURE	
	Code	10.PRO.04	
	Date of Approval	25/06/2021	
	Date of Revision	28/08/2023	
	Revision Number	2	
	Prepared by	DEBT SECURITIES MARKET OPERATIONS DIRECTORATE	
	Approved by	CEO	



BORSA İSTANBUL A.Ş.

PROCEDURE ON BORSA İSTANBUL MONEY MARKET

İSTANBUL – 2021

This document is owned by Borsa İstanbul A.Ş. Current version of this document is published in corporate internet site of Borsa İstanbul A.Ş. Before use, please check whether this file is the correct version of document or not.

Disclaimer: This document is a translation from its Turkish original. In case of a discrepancy, the original document in Turkish shall prevail. Borsa İstanbul A.Ş. is not responsible for translation errors.

HALKA AÇIK

Purpose

ARTICLE 1- (1) The purpose of this Procedure is to regulate the procedures and principles of operations of Borsa İstanbul Money Market.

Scope

ARTICLE 2- (1) This Procedure sets down and regulates the institutions authorized to trade, the valid order and trading rules, and other operational procedures and principles, in Borsa İstanbul Money Market.

Grounds

ARTICLE 3- (1) This Procedure is issued in reliance upon Borsa İstanbul A.Ş. Borsa İstanbul Money Market Directive.

Definitions and Abbreviations

ARTICLE 4- (1) For the purposes and in the context of this Procedure:

- a) “Exchange” stands for Borsa İstanbul Anonim Şirketi (Borsa İstanbul); and
- b) “Exchange Regulation” stands for Borsa İstanbul A.Ş. Regulation on Principles Relating to Exchange Activities promulgated in the Official Gazette edition 29150 on 19/10/2014; and
- c) “CEO” stands for Chief Executive Officer of Borsa İstanbul A.Ş.; and
- ç) “Market” refers to Borsa İstanbul Money Market; and
- d) “Takasbank” stands for İstanbul Takas ve Saklama Bankası Anonim Şirketi (İstanbul Settlement and Custody Bank).

Institutions Authorized to Trade, and Representatives

ARTICLE 5- (1) In the Market, only banks and intermediary institutions authorized to trade pursuant to the Exchange regulations, as well as Takasbank may trade.

(2) Those who meet the required conditions specified in the Exchange Regulation and other Exchange regulations pertaining thereto may trade in the Money Market as member representatives.

Operations of Money Market

ARTICLE 6- (1) Collateralized money purchase and money sale transactions of banks and intermediary institutions supplying and demanding Turkish Lira funds are executed in the Money Market.

(2) A Member may submit orders in the Money Market for its own portfolio, or on behalf of mutual fund/investment company, or on behalf of customer.

(3) Money purchase and money sales transactions are executed in the Money Market at the terms specified in this Procedure.

(4) Interest is calculated over a year of 365 days in transactions executed in the Money Market.

(5) Takasbank serves as central counterparty in the Money Market. Accordingly, Takasbank assumes the role of seller against buyer and the role of buyer against seller for the executed transactions, and commits the completion of settlement.

HALKA AÇIK

(6) Firms trading in the Money Market do not know each other at the time of transaction. Following completion of transaction, information on counterparty member is also provided to trading parties, together with information on transaction. Firms which are not a party to the executed transaction may track the information on transaction, but do not have access to information on trading counterparties.

(7) Members may, by means of user terminals, monitor the transactions executed by them, and may instantaneously track the positions.

Trading Hours

ARTICLE 7- (1) In the Money Market, orders are submitted and transactions are executed between 09:30 and 17:30 hours every weekday. Orders are submitted and transactions are executed with the same starting value date between 09:30 and 15:00 hours, while orders are submitted and transactions are executed with the future starting value date between 09:30 and 17:30 hours.

Value Date

ARTICLE 8- (1) Trades with same value dates and one business day future starting value dates may be executed in the Money Market. Ending value date of transactions is freely determined by the parties up to maximum 2 years.

Order Types

ARTICLE 9- (1) Orders are matched by multiple price method in the Money Market. Two types of orders, namely limit order and market order, may be submitted in the Money Market.

(2) Limit orders are submitted by stating interest rate and quantity.

(3) Market orders are submitted by stating only quantity without reference to interest rate. These orders may meet partially or fully with passive orders backlogged in the system. Remaining unfilled part of a market order is automatically cancelled.

(4) Orders may further be submitted under the special conditions defined below for use together with limit order or market order.

a) Fill and kill order: The condition that the unmatched part of an order is to be cancelled as of the time the order is submitted.

b) Fill or kill order: An instruction to fill the order completely. If not filled completely as of the time the order is submitted, order is fully cancelled.

Change of Orders

ARTICLE 10- (1) Orders submitted to the Market, but not matched and remaining portions of partially matched orders may be changed. However, account type, account code and account number fields of orders cannot be changed.

(2) Order loses its priority in case of changing interest rate, or increasing quantity. However, change of information field and/or reduction of quantity do not lead to forfeiture of priority of order.

HALKA AÇIK

Submission, Priority and Matching Rules of Orders

ARTICLE 11- (1) Member representatives submit their orders via trading system terminals or remote access interface.

(2) In the case of entrance of order on behalf of a customer, it is required to select the code identified for customer in account type and account code fields in “Order Entry” window, and to enter information identifying the customer in account number field therein.

(3) In the Market:

(a) In bid orders, orders with the highest interest rate are prioritized, while in ask orders, orders with the lowest interest rate are prioritized. Time priority is applied in orders with the same interest rate.

(b) Bid orders are matched with ask orders with the same or lower interest rates, while ask orders are matched with bid orders with the same or higher interest rates. When there is no interest rate equality in the matching, interest rate of the first order entered into the system is taken and accepted as interest rate of transaction.

(4) Members may also execute trades by matching their own orders submitted to the trading system.

(5) If and when needed, members may submit their orders to the system by calling the Exchange specialists by phone. A member representative submitting orders by phone may submit the order only after telling the user code and representative password given to him to the Exchange specialists. In the case of submission of orders by phone, the order is entered by the Exchange specialists into the system, and the order number produced by the system is notified to the representative. If the representative wishes to change the order submitted by phone, he is under obligation to disclose to the Exchange specialists the order number given to him.

Validity and Size of Orders

ARTICLE 12- (1) Orders are valid for the day they are given. Orders submitted to the Market, but not matched and remaining portions of partially matched orders may be cancelled. All orders submitted to the system with same starting value date are automatically cancelled by the system at the end of order submission time for orders with same starting value date if they are not matched by then, while unmatched orders with future starting value date are automatically cancelled by the system at the closing time of the Market.

(2) Orders are submitted in the form of minimum order size and its multiples. Minimum and maximum order sizes valid and applicable in the Market are as follows:

Minimum (TRY)	Maximum (TRY)
100,000	100,000,000

Applicable Interest Rate Ticks

ARTICLE 13- (1) An interest rate tick of 0.01% is applied in the orders to be submitted to the Market.

Cancellation of Transactions

ARTICLE 14- (1) Trades executed in the Market may be cancelled within the frame of provisions of article 33 of the Exchange Regulation.

(2) Trades may be cancelled within the operation hours employed by Takasbank. Requests of cancellation filed after the starting time of netting operations determined by Takasbank may not be accepted.

Cancellation of Transactions Executed by a Mistake of Member

ARTICLE 15- (1) In order for a transaction executed by a mistake of member to be cancelled by the Debt Securities Market Operations Director within the frame of provisions included in subparagraph (b) of first paragraph of article 33 of the Exchange Regulation, requests of parties to the transaction are required. Transaction(s) of a member who files a request of cancellation due to at least one of the reasons listed in second paragraph of this article and receives prior consents of counterparties to the transaction or transactions may be cancelled by the Debt Securities Market Operations Director pursuant to provisions of article 33 of the Exchange Regulation upon the Member's own request and upon delivery to the Exchange of prior consents of counterparty members. This cancellation is announced in the Public Disclosure Platform.

(2) A request of cancellation must have an acceptable reason. Reasons acceptable for cancellation of a transaction are listed below:

- a) To enter an ask order instead of bid order or enter a bid order instead of ask order by mistake; or
- b) To make an error of fact in interest rate, value date, account type, account code, account number or quantity of orders entered; or
- c) To sell by mistake cash funds which are indeed unavailable in its own portfolio or in the possession of mutual fund, investment trust or customer on behalf of whom it is trading.

Cancellation of Transactions Executed by a Mistake of Exchange Specialist

ARTICLE 16- (1) Where a member submits an order by phone through an Exchange specialist, a transaction executed due to erroneous entry of order to the system by the Exchange specialist should be objected within 15 minutes following execution of order, or otherwise, the transaction will be deemed valid.

(2) Orders submitted by member representatives to the Market by phone are entered into the system by Exchange specialist after they are repeated, and after consent of the related member representative is received. In the case of a mistake made in the repetition by Exchange specialist, such mistake is required to be immediately corrected by the related member representative, or otherwise, as the erroneous repetition will be deemed to have been approved by the related member representative, the objection against trade will not be accepted, and trade will be deemed valid. If an order is not repeated by Exchange specialist, order submitted by the related member representative will be valid, and be relied upon in assessment of objections thereto.

(3) If an objection is found acceptable, the related trade is cancelled, and the parties to trade are informed thereof. No compensation is made due to cancellation, and if the parties to trade incur any losses as a result of the cancelled trade, such losses are not indemnified by the Exchange.

HALKA AÇIK

(4) For trades executed in the name of a different member due to a mistake of Exchange specialist, a compensatory action is not taken, but only trade is completed with a change of member code.

Rectification of Trades

ARTICLE 17- (1) (4) Principles regarding rectification of trades executed as a result of orders erroneously submitted by member or Exchange personnel are determined by Takasbank.

Publishing and Announcement of Order and Trade Information, Notification of Trades

ARTICLE 18- (1) Information on trades executed in the Market, and order depth information relating to orders pending in the trading system, are published instantaneously or with delay in screens of member users linked to the system, and in platforms operated by data vendors contracted by the Exchange, and in other electronic media that may be deemed appropriate by the Exchange.

(2) Information on interest rates and quantity as a result of execution of trades in the Market is published in the Exchange Bulletin in the same day. The Exchange Bulletin contains information on the lowest, highest and weighted average interest rates, trading value and contract / deal numbers on the basis of terms.

(3) Interest rate of transactions executed by a single member wherein the member executes the transaction by matching its own orders submitted to the trading system itself is not registered in the Exchange, and is not published in the Exchange Bulletin, but such information as trading value and contract number of these trades is added to the grand totals.

(4) Information on transactions executed may be received by member from the system at any time in its own wish during the trading hours. Trading books containing information on transactions executed in the Market are sent to members by electronic report distribution system on daily basis.

Trading Limits and Risk Management

ARTICLE 19- (1) With a view to controlling the probable post-trade risks in the Market, limitations may be imposed before transaction on capacity, quantity and/or amount of trades, submitted orders, and transactions to be executed. Upon occurrence of extraordinary events in the market or at any time if deemed necessary by providing a written explanation, the CEO may ex officio change the limits defined in risk criteria on the basis of members and/or users. As for pre-trade risk management, the principles set down in Annex 5- Pre-Trade Risk Management Application of Borsa İstanbul A.Ş. Procedure on Debt Securities Market are applied.

(2) Risk management principles regarding transactions executed therein are determined and applied by Takasbank.

Settlement, Margin and Defaults

ARTICLE 20- (1) Regulation relating to principles of settlement, margin and default of trades to be executed in the Market are determined by Takasbank.

HALKA AÇIK

Effective Date

ARTICLE 21- (1) This Procedure becomes effective as of 05/07/2021.

Enforcement

ARTICLE 22- (1) The provisions of this Procedure are enforced and executed by the CEO of Borsa İstanbul A.Ş.