

- j) **Fund Distribution Institution (“FDI”):** The pension company intermediating to the fund share trading transaction in Pension Fund Trading Platform.
- k) **Fund management fee:** Fee which is taken by Founder from fund’s assets due to fund management,
- l) **General Fund Share Pool Account:** Account contains overall fund shares of pension mutual funds which are defined in Takasbank Custody System,
- m) **General Commission Rate:** The lowest intermediate commission rate which is determined between Founder and FDI,
- n) **Participant:** Real person who is a party to his/her name and system on the way to retirement,
- o) **Lease Certificates:** TRY payable lease certificates issued by T.C. Hazinesi Varlık Kiralama A.Ş.,
- p) **Founder:** The Pension Companies,
- q) **Founder BEFAS Fund Share Exportation Pool Account:** Account that the Founder determines marketable share pension investment funds number in the platform,
- r) **Board:** Sermaye Piyasası Kurulu,
- s) **Agency:** Sigortacılık ve Özel Emeklilik Düzenleme ve Denetleme Kurumu,
- t) **Operator Member:** An institution authorized by and trading on behalf of the founder in Takasbank system,
- u) **Special Commission Rate:** Intermediate commission rate is determined by free agreements between the Founder and FDI,
- v) **Platform, BEFAS:** Pension Fund Trading Platform,
- w) **Platform Cash Pool Account:** Pool account where balances of members who fulfill their own cash debt obligations have been collected and transmission has made to drawer members,
- x) **Bank: Takasbank-** İstanbul Takas ve Saklama Bankası A.Ş.,
- y) **Takasbank Custody System:** System where pension fund shares have been traced on behalf of members and companies at Takasbank,
- z) **CBRT:** Türkiye Cumhuriyet Merkez Bankası,
- aa) **Implementing Principles:** Pension Fund Trading Platform Implementing Principles,
- bb) **USD:** The currency of United States of America,
- cc) **Member:** The pension companies and investment institutions which have signed a Pension Funds Trading Platform Agreement and have been authorized to trade in the Platform,
- dd) **ABS:** Asset Backed Securities,

- c) **Fill All:** The order shall not be accepted to the system in case of no sufficient balance in the pool to entirely cover the transaction amount.

ARTICLE 18- Order cancellations

- (1) The unmatched fund share buying orders waiting in the system due to inadequate trading limit can be cancelled at any time during the day they have been entered to the system, whereas the matched trading orders can be cancelled by the member entering the order until the cancellation deadline designated by the Founder/Operator Member.
- (2) The waiting orders not matched until the order cancellation time due to inadequate trading limit shall be cancelled automatically by the system. In determining the order cancellation time, Platform general cancellation deadline as considered for the orders transmitted after the value deferral time while the time designated by the Founder/Operator or the time earlier than the Platform general cancellation time shall be taken into account for the orders transmitted to the system before the value deferral time.
- (3) The future-dated orders transmitted to the system and matched after the value deferral time can be cancelled by the Founder on the next day until the designated cancellation deadline.
- (4) The matched orders can be cancelled automatically by the system for reasons such as fund mergers, price updates, etc.
- (5) The orders entered to the system, which have not become subject to the netting but cannot be cancelled by the member because of missing the cancellation deadline may be cancelled upon written approval of the Founder Member of the fund subject to the order and consent of Takasbank thereof. In such a case, the cancellation shall be performed by Takasbank.

ARTICLE 19- Trading and funding limit allocation and the collateral

- (1) The following types of collaterals are accepted to the platform:
 - a) Cash (TRY, USD ve EURO)
 - b) Gold traded on the stock exchange
 - c) GDDS
 - d) Lease Certificates
 - e) ABS accepted by Takasbank as collateral
- (2) As a result of the assessment made by Takasbank, a funding limit shall be allocated to the members intending to trade in the Platform as to be used for the Platform transactions.
- (3) In order for the allocated limit to be used, either one and/or several of the gold in the standard traded in the Exchange, GDDS, ABS (accepted by Takasbank) and/or lease certificates must be provided as collateral. In determining the value of collateral, the valuation haircuts designated by Takasbank Board of Directors on the basis of collateral type shall be applied and those valuation haircuts are announced by general letters.
 - a) GDDS and lease certificated provided as collateral shall be valued based on the prices announced in the Official Gazette by the CBRT.
 - b) ABS is valued at the theoretical price determined by Takasbank. The related asset shall be taken as a collateral at the latest one day after the receipt of the collateral deposit instruction regarding ABS.

- Trading Limit** = Available funding limit + TRY cash debt closing account balance + total sales orders incoming on value date – total matched buying orders

- b) If the member becomes a cash obligor, all fund shares it has indebted shall be immediately transferred whereas the fund shares it would receive shall be transferred pro-rata to the cash debt it has closed. However, the fund share transfer orders cannot be executed in a partial manner.

ARTICLE 21- Netting, debt closing, receivable distribution

- (1) Cash amounts of the trading transactions shall be netted-off on the value date at 14:00. No fund-based netting shall be conducted. The fund share transfers shall be performed on an order basis.
- (2) Net TRY cash obligations shall be fulfilled by making payment to “BEFAS Debt Closing Account” until 15:00.
- (3) The member will fall into default for the TRY cash obligations failed to be fulfilled as of 15.00. The liability of the member is covered by Takasbank by extending a credit against the collateral deposited, provided that the funding limit is not exceeded. The foreign exchange buying rate is used in the calculation of the TL cash credit given in foreign currency.
- (4) Net cash receivables shall be credited to the members’ current accounts at Takasbank.

CHAPTER FOUR

Default

ARTICLE 22- Default Principles

- (1) The member failing to fulfill its TRY cash obligation at 15:00 on the value date shall be deemed defaulted without the need for any notice and shall pay the default penalty.
- (2) In determining the default, the transfer time of debt amount to the “BEFAS Debt Closing Account” shall be taken into account.
- (3) Default penalty shall be calculated by using of the highest among the average overnight average rates occurring at Borsa Istanbul Repo-Reverse Repo Market in which government securities traded, CBRT Interbank Money Market or Takasbank Money Market. The participation pension companies informed Takasbank about their activities shall be subject to a default penalty calculated by using the overnight average rate of Borsa Istanbul Committed Transactions Market in which lease certificates traded. In case of no trade, the most recent weighted average rate shall be used. In the calculation, the rate designated for each day in the period elapsed from the value date to the day on which the debt is closed shall be used.
- (4) The default interest shall be calculated based on the number of calendar days between the value date of the transaction and the date on which the obligations have been fulfilled.
- (5) In calculating the default interest, the haircuts given in the following table shall be used depending on the time of fulfillment of the obligation.

ARTICLE 27- Enforcement

- (1) This Implementing Principles shall enter into force on the date of its announcement by Takasbank upon its approval by the Board of Directors.

ARTICLE 28- Execution

- (1) The provisions of this Implementing Principles shall be executed by Takasbank Board of Directors.