

## Unofficial Translation

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Subject : Announcement Regarding the Changes in the Exchange Fee Schedule and Market Making System Applicable to Warrant/Certificate Trading

To Whom It May Concern,

For the purpose of enhancing the effectiveness of market functioning and market making activity, it has been decided to introduce a new exchange fee schedule and market making system for warrant and certificate trading.

At present, the exchange fee items on warrants and certificates are applied as a certain ratio over the traded value (at rates varying according to the underlying assets of the warrant or the certificate). In addition, the members who are also market makers of warrants and certificates are entitled to a 50% discount, without being subjected to a performance assessment, in the trades they carry out through quotes.

Exchange fee schedule applicable to warrants and certificates will be updated as in the below table. Under the new fee schedule, two different fee items will be calculated on the basis of value and volume for each trade and the higher of the calculated amounts will be determined as the final exchange fee. Accordingly, for non-index-based warrants and certificates, the higher amount of 0.3 bps over traded value and 0.01 kuruş over traded volume will be charged as the final exchange fee on the trade. For the trades carried out on index-based warrants and certificates, the higher amount of 0.4 bps over traded value and 0.013 kuruş over traded volume will be charged.

	<b>Rate Over Value Traded (bps)</b>	<b>Kuruş per Lot Traded</b>
Warrants/Certificates issued on underlying assets other than BIST or foreign indices.	0.30	0.010
Warrants/Certificates issued on BIST or foreign indices.	0.40	0.013

In accordance with the new market making system to be commissioned, market makers of warrants and certificates will be subject to daily performance assessment on instrument basis regarding the fulfilment rate of minimum quote and maximum bid-ask spread criteria. Market makers will be entitled to a 50% discount on the days they fulfil the performance criteria. In addition to the daily performance assessment, market makers will be subject to an additional performance evaluation twice a year. Market making activities of the members which fail to fulfil the specified criteria may be terminated by the General Manager.

Accordingly, the principles of daily and periodic performance assessments have been established as follows:

- The minimum quote amount that market makers must place on both sides of an order book is 250 lots.
- Maximum bid-ask spreads are given in the table below.

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Price Level (TL)	Maximum Spread Price Tick / Price Spread (%)
0.01 – 0.29	4
0.30 – 0.59	5
0.60 – 1.49	6
1.50 – 1.99	7
2 and above	5%

- In order to qualify for exchange fee discount, market makers must fulfil the quantity and price criteria on warrant/certificate basis for 90% or more of the continuous trading period on a daily basis.
- Market makers are considered successful as long as they fulfil the quantity and price criteria on an average of 65% or more on the basis of underlying assets within the scope of periodic performance assessments.
- Market makers who are deemed unsuccessful 2 times in a row according to the results of the periodic assessments may be warned by the General Management of the Exchange.
- In case of repetition of the failure after a warning, the market making activity carried out on warrants/certificates may be terminated by the General Management as of the maturity date of the said instruments.
- Members, whose market making activities have been terminated cannot apply to become a market maker for warrants/certificates issued on the same underlying asset for a period of 6 months.

The new version of the Equity Market Procedure, in which the mentioned changes are included will be accessed on the Borsa İstanbul website. New regulations will come into force as of 01/12/2022.

Kindly submitted for your information.

Korkmaz ERGUN  
CEO  
Board Member