

## HALKA AÇIK

### Unofficial Translation

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

### To Whom It May Concern

Effective from July 1, 2024, market making program rules in Borsa İstanbul Derivatives Market will be updated as follows:

- Grouping of single stock futures contracts for the obligations and rights of markets makers has been updated as in the Attachment-1,
- Exchange fee discount applied to transactions that are executed by market makers' accounts in the contracts market makers are responsible will not be applied to trade reports of market makers,
- Market maker commitment letter has been revised and the current market makers are required to sign and send the revised letter in physical form (in Turkish) as in the Attachment-2 by June 26, 2024,
- Other changes as shown in the attached comparison chart of the Derivatives Market Procedure have been made.

Derivatives Market Procedure will be updated as in the Attachment-3. 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>).

Kindly for your information.

Korkmaz ERGUN  
CEO and Board Member

### Attachments:

- 1- Grouping List of SSF
- 2- Derivatives Market Market Maker Commitment Letter
- 3- Changes in Borsa İstanbul A.Ş. Derivatives Market Procedure

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### Grouping List of SSF

<b>Group 1</b>	<b>Group 2</b>	<b>Group 3</b>
AKBNK	ALARK	AEFES
ASELS	ASTOR	AKSEN
EREGL	BIMAS	ARCLK
EKGYO	DOHOL	BRSAN
GARAN	FROTO	CIMSA
GUBRF	KONTR	DOAS
ISCTR	KOZAL	ENJSA
KCHOL	KRDMD	ENKAI
PETKM	ODAS	HALKB
PGSUS	SASA	HEKTS
SAHOL	SISE	KOZAA
TCELL	TOASO	MGROS
THYAO	TTKOM	OYAKC
TUPRS	VAKBN	SOKM
YKBNK	VESTL	TAVHL
		TKFEN
		TSKB

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### DERIVATIVES MARKET MARKET MAKER COMMITMENT LETTER

TO BORSA İSTANBUL A.Ş. GENERAL MANAGEMENT

İSTANBUL

In the event we are admitted as a market maker at Borsa İstanbul Derivatives Market, we accept, declare and undertake that;

1. Any and all kinds of legislation issued by the Capital Markets Board (the Board), Borsa İstanbul A.Ş. (the Exchange) and the Clearing House chosen by the Exchange and all similar regulation, provisions and the terms of this covenant shall be applied to all the executed transactions, and the Board and the Exchange shall be authorized to construe the mentioned provisions and terms, in cases of uncertainty to adopt decisions in consideration of the general provisions, and to regulate and direct the practice;

2. Within the framework of the relevant legislation, the Exchange has any and all kinds of regulative and changing authority regarding the transactions to be executed at the Exchange;

3. We have unlimited liability regarding the obligations arising out of the Exchange transactions executed by our representatives that are assigned and notified to the Exchange by our Company and through the allocated protocols for our Company for executing transactions at the Exchange. We shall fulfill all the conditions requested by the Exchange. Our company is responsible for conserving user name and password used to access the system by our representative and the allocated protocols for our Company, we shall be liable for any kinds of legal and/or financial liabilities arising out of using market maker accounts by unauthorized persons by the means of obtaining our representative's user name and password by third parties with or without the consent of our representatives;

4. Authorization of market making is instituted by the Exchange based on contract, instrument group, instrument type, instrument class and/or contract month;

5. Market making activities are implemented only on instrument group, instrument type, instrument class and/or contract months applied and will be approved by Exchange; market making shall not be implemented on unauthorized instrument group, instrument type instrument class and contract month;

6. The Exchange may consider the performance of market makers based on certain criteria and periods specified by the Exchange. The Exchange may withdraw unilaterally the authority of the market maker whose performance is inadequate. Besides, in case any and all kinds of legislations issued by the Board, the Exchange and the Clearing House are not applied, Exchange may withdraw unilaterally the authority of the market maker;

7. In case we want to withdraw from market maker covenant, we shall apply in a written form to the Exchange. Market maker obligations shall apply until the decision of the Exchange and terminated after the approval of the Exchange;

8. Market maker account/s independent from customer and other portfolio accounts shall be used for market making activities;

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9. The positions hold in the market maker accounts shall not be transferred to other accounts through Give-up functionality defined in the Clearing House procedures without the consent of the Exchange or the Clearing House;
10. We shall fulfill the obligations specified by the Exchange for the contracts in which we will be authorized as market maker;
11. We are limited with the position limits specified by the Exchange or the Clearing House. The Exchange or the Clearing House have the authority to amend these position limits;
12. We shall be attentive to fulfill the performance criteria specified by the Exchange. We shall obey the criteria and rules to be specified by the Exchange;
13. We shall deposit the sufficient margin to the portfolio accounts on which market making activities are implemented to fulfill market maker obligations;
14. The rights of market makers may be withdrawn by the Exchange;
15. In case a default on the market maker account/s, the regulations on the Membership Covenant signed by our company shall be valid. We will notify the Exchange in writing in the event that our activities are suspended for any reason, including bankruptcy and/or liquidation, our authorization certificates are canceled and/or we become a party to a transaction that causes the transformation into another legal entity as a result of a takeover, purchase or merger by another institution, or the minimum conditions for market making are lost, the Stock Exchange will determine whether the market making will continue. If the Exchange decides to terminate the market making, the procedure for liquidating the rights and obligations arising from market making may also be determined, and in this case, we will comply with the procedures and principles determined by the Exchange;
16. In case physical delivery instead of cash settlement, the regulations implemented to the other customer and portfolio accounts shall be valid for market maker account/s;
17. In cases not defined by the provisions of this covenant, the provisions of the Relevant Legislation and general provisions shall apply. In case any amendments on the Relevant Legislation, amended provisions shall be applied;
18. In the event of any controversy, the records of the Exchange and the Clearing House shall be valid and constitute definite evidence in accordance with related article of the Civil Procedure Law.

Signing Authorities, Company Title and Company Seal

Changes in Borsa İstanbul A.Ş. Derivatives Market Procedure

OLD TEXT	NEW TEXT
<p><b>45. Market making program</b> <b>45.1. General operating principles</b> ... Accounts used for market making activities shall be opened at Takasbank and these accounts to be used for market making activities shall be notified in written to the Exchange. Market making activities may be performed through portfolio and/or customer accounts.</p> <p>The account used for market making activities shall be only used for market making transactions. Market maker may carry out market making activities on one account or open more than one account at Takasbank for market making activities with notice to the Exchange. Revenue sharing, fulfillment of obligations and rights are assessed on the basis of market making accounts of market members.</p> <p>...</p>	<p><b>45. Market making program</b> <b>45.1. General operating principles</b> ... Accounts used for market making activities shall be opened at Takasbank and these accounts to be used for market making activities shall be notified in written to the Exchange. Market making activities may be performed through portfolio and/or customer accounts.</p> <p>The account used for market making activities shall be only used for market making transactions. <b><u>Trade report transactions can be made with the market maker account.</u></b> Market maker may carry out market making activities on one account or open more than one account at Takasbank for market making activities with notice to the Exchange. Revenue sharing, fulfillment of obligations and rights are assessed on the basis of market making accounts of market members.</p> <p>...</p>
<p><b>46. Cancellation of Market Making Authorization</b> ... The market makers that are withdrawn permanently 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 obtained in the last three months <del>due to market making activity</del> must be returned.</p> <p>The cancellation of the market maker authorization does not affect the authorization to trade in the Market.</p>	<p><b>46. Cancellation of Market Making Authorization</b> ... The market makers that are withdrawn permanently 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 obtained in the last three months must be returned. <b><u>If market making authorization is cancelled as a result of the loss of market maker's minimum requirements, the exchange fee discount and revenue shared after the date of loss must be returned.</u></b></p> <p>The cancellation of the market maker authorization does not affect the authorization to trade in the Market.</p>

**APPENDIX-8: DERIVATIVES MARKET MARKET MAKER COMMITMENT LETTER**

TO BORSA İSTANBUL A.Ş. GENERAL MANAGEMENT  
İSTANBUL

In the event we are admitted as a market maker at Borsa İstanbul Derivatives Market, we accept, declare and undertake that;

1. Any and all kinds of legislation issued by the Capital Markets Board (the Board), the Exchange and the Clearing House chosen by the Exchange and all similar regulation, provisions and the terms of this covenant shall be applied to all the executed transactions, and the Board and the ~~Board of Directors~~ shall be authorized to construe the mentioned provisions and terms, in cases of uncertainty to adopt decisions in consideration of the general provisions, and to regulate and direct the practice;

2. Within the framework of the relevant legislation, the Exchange has any and all kinds of regulative and changing authority regarding the transactions to be executed at the Exchange;

3. We have unlimited liability regarding the obligations arising out of the Exchange transactions executed by our representatives that are assigned and notified to the Exchange by our Company for executing transactions at the Exchange. We shall fulfill all the conditions requested by the Exchange. Our company is responsible for conserving user name and password used to access the system by our representative, we shall be liable for any kinds of legal and/or financial liabilities arising out of using market maker accounts by unauthorized persons by the means of obtaining our representative's user name and password by third parties with or without the consent of our representatives;

**APPENDIX-8: DERIVATIVES MARKET MARKET MAKER COMMITMENT LETTER**

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İSTANBUL

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2. Within the framework of the relevant legislation, the Exchange has any and all kinds of regulative and changing authority regarding the transactions to be executed at the Exchange;

3. We have unlimited liability regarding the obligations arising out of the Exchange transactions executed by our representatives that are assigned and notified to the Exchange by our Company and through the allocated protocols for our Company for executing transactions at the Exchange. We shall fulfill all the conditions requested by the Exchange. Our company is responsible for conserving user name and password used to access the system by our representative and the allocated protocols for our Company, we shall be liable for any kinds of legal and/or financial liabilities arising out of using market maker accounts by unauthorized persons by the means of obtaining our representative's user name and password by third parties with or without the consent of our representatives;

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4. Authorization of market making is instituted by the Exchange based on contract, instrument group, instrument type ~~and/or~~ instrument class and/or contract month;

5. Market making activities are implemented only on instrument group, instrument type ~~and/or~~ instrument class and/or contract months applied and approved by the ~~Board of Directors~~; market making shall not be implemented on unauthorized instrument group, instrument type instrument class and contract month;

6. The Exchange may consider the performance of market makers based on certain criteria and periods specified by the Exchange. Exchange may withdraw unilaterally the authority of the market maker whose performance is inadequate. Besides, in case any and all kinds of legislations issued by the Board, the Exchange and the Clearing House are not applied, Exchange may withdraw unilaterally the authority of the market maker;

7. In case we want to withdraw from market maker covenant, we shall apply in a written form to the Exchange. Market maker obligations shall apply until the decision of the ~~Board of Directors~~ and terminated after the approval of the ~~Board of Directors~~;

8. Market maker account/s independent from customer and other portfolio accounts shall be used for market making activities;

9. The positions hold in the market maker accounts shall not be transferred to other accounts;

10. We shall fulfill the obligations specified by the Exchange for the contracts in which we ~~are~~ authorized as market maker;

11. We are limited with the position limits specified by the Exchange. The Exchange ~~has~~ the authority to amend these position limits;

4. Authorization of market making is instituted by the Exchange based on contract, instrument group, instrument type, instrument class and/or contract month;

5. Market making activities are implemented only on instrument group, instrument type, instrument class and/or contract months applied and will be approved by the Exchange; market making shall not be implemented on unauthorized instrument group, instrument type instrument class and contract month;

6. The Exchange may consider the performance of market makers based on certain criteria and periods specified by the Exchange. The Exchange may withdraw unilaterally the authority of the market maker whose performance is inadequate. Besides, in case any and all kinds of legislations issued by the Board, the Exchange and the Clearing House are not applied, Exchange may withdraw unilaterally the authority of the market maker;

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8. Market maker account/s independent from customer and other portfolio accounts shall be used for market making activities;

9. The positions hold in the market maker accounts shall not be transferred to other accounts through Give-up functionality defined in the Clearing House procedures without the consent of the Exchange or the Clearing House;

10. We shall fulfill the obligations specified by the Exchange for the contracts in which we will be authorized as market maker;

11. We are limited with the position limits specified by the Exchange or the Clearing House. The Exchange or the Clearing House have the authority to amend these position limits;

12. We shall be attentive to fulfill the performance criteria specified by the Exchange. We shall obey the criteria and rules to be specified by ~~Board of Directors~~;

13. We shall deposit the sufficient margin to the portfolio accounts on which market making activities are implemented to fulfill market maker obligations;

14. The rights of market makers may be withdrawn by ~~Board of Directors~~;

15. In case a default on the market maker account/s, the regulations on the Membership Covenant signed by our company shall be valid;

16. In case physical delivery instead of cash settlement, the regulations implemented to the other customer and portfolio accounts shall be valid for market maker account/s;

17. In cases not defined by the provisions of this covenant, the provisions of the Relevant Legislation and general provisions shall apply. In case any amendments on the Relevant Legislation, amended provisions shall be applied;

18. In the event of any controversy, the records of the Exchange and the Clearing House shall be valid and constitute definite evidence in accordance with related article of the Civil Procedure Law.

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12. We shall be attentive to fulfill the performance criteria specified by the Exchange. We shall obey the criteria and rules to be specified by the Exchange;

13. We shall deposit the sufficient margin to the portfolio accounts on which market making activities are implemented to fulfill market maker obligations;

14. The rights of market makers may be withdrawn by the Exchange;

15. In case a default on the market maker account/s, the regulations on the Membership Covenant signed by our company shall be valid. We will notify the Exchange in writing in the event that our activities are suspended for any reason, including bankruptcy and/or liquidation, our authorization certificates are canceled and/or we become a party to a transaction that causes the transformation into another legal entity as a result of a takeover, purchase or merger by another institution, or the minimum conditions for market making are lost, the Stock Exchange will determine whether the market making will continue. If the Exchange decides to terminate the market making, the procedure for liquidating the rights and obligations arising from market making may also be determined, and in this case, we will comply with the procedures and principles determined by the Exchange;

16. In case physical delivery instead of cash settlement, the regulations implemented to the other customer and portfolio accounts shall be valid for market maker account/s;

17. In cases not defined by the provisions of this covenant, the provisions of the Relevant Legislation and general provisions shall apply. In case any amendments on the Relevant Legislation, amended provisions shall be applied;

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	Signing Authorities, Company Title and Company Seal
<b>APPENDIX -11: NORMAL SESSION RIGHTS OF MARKET MAKERS</b> ...	<b>APPENDIX -11: NORMAL SESSION RIGHTS OF MARKET MAKERS</b> ... <b><u>Fee discount is not applied to trade reports that are executed by market makers' accounts.</u></b>