

**COMMITTEE OPERATIONS MANAGERS WORKING GROUP  
LETTER • ISSUED JOINTLY WITH THE LONDON FOREIGN  
EXCHANGE JOINT STANDING COMMITTEE**  
**Commenting on the Turkish Lira Conversion**

December 7, 2004

The London Foreign Exchange Joint Standing Committee Operations Sub-Group (FXJSC Operations Group) and the Foreign Exchange Committee Operations Managers Working Group (FXC Operations Group) are pleased to announce the results of a consultation among members regarding their intentions for processing outstanding foreign exchange trades denominated in Turkish lira to address the conversion of old Turkish lira (TRL) to new Turkish lira as of January 1, 2005. The currency code for the new Turkish lira will be TRY.

The FXJSC Operations Group and the FXC Operations Group encourage market participants to review their outstanding TRL trades bridging the January 1, 2005, cutover. In order to promote a smooth operational transition, the FXJSC Operations Group and the FXC Operations Group suggest that market participants contact their trade counterparties to cancel, rebook, and reconfirm spot and forward TRL trades with a value date after January 1, 2005, as TRY trades with the same original value date. The conversion rate is 1 TRY = 1,000,000 TRL under the Law of the Currency Unit of the Republic of Turkey (Law No. 5083, enacted January 31, 2004).

As always, the FXJSC Operations Group and the FXC Operations Group recognize that all documentation is negotiated and must be amended on a counterparty-by-counterparty basis. For this reason, parties are encouraged to inventory their existing TRL trades and contact counterparties as soon as possible to resolve any issues regarding the scheduled conversion on a mutually satisfactory basis.

The FXJSC Operations Group and the FXC Operations Group also recognize that products other than foreign exchange spot and forward trades may raise different operational issues for the parties to consider in the implementation of mutually satisfactory solutions to the scheduled conversion. Other trade associations, including the International Swaps and Derivatives Association, intend to issue statements to their membership addressing the conversion to TRY.



Turkish authorities have published information on the conversion to TRY at [www.tcmb.gov.tr/yeni/eng/index.html](http://www.tcmb.gov.tr/yeni/eng/index.html).

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