

# YAZICILEGAL

## NEWSLETTER

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### **Amendment regarding “Postponement of Bankruptcy demands initiated before State of Emergency”**

The Decree Law on taking particular measures in the scope of state of emergency dated 15 August 2016 and numbered 673 (“**Decree Law 673**”) has been published in the Official Gazette dated 1 September 2016 and numbered 29818.

The Decree Law 673 amended the fourth clause of the Decree Law numbered 669 (dated 25 July 2016) which stipulated that no demands can be made for the postponement of bankruptcy during the state of emergency period. Under the Decree Law 673, the amended clause is now also regulating the status of the postponement of bankruptcy demands which had been initiated before the declaration of state of emergency. Briefly, with this amendment, the Decree Law 673 states that:

- a) No decision of postponement of bankruptcy can be adopted during the period of state of emergency.
- b) No decision of injunction can be adopted following and during the state of emergency (if it has been previously adopted, it will be revoked).
- c) Injunctions adopted prior to the state of emergency declaration shall be urgently re-examined by the courts and will be annulled in case of determination of certain specific events concerning the national security.

### **Amendment on Regulation concerning Debit Cards and Credit Cards**

The BRSA, by amending the Regulation on Debit Cards and Credit Cards through the regulation which has been published in the Official Gazette on 27 September 2016, has made changes on the instalment limitations of credit cards. According to the amendment, the instalment payment periods for the purchase of goods and services and cash withdrawals have been increased. Accordingly, the instalment payment periods for such purchases should not exceed 12 months (which was previously limited with 9 months instalment). This period applies as up to 4 months for jewelry expenditures, up to 6 months for electronic devices and computer expenditure and up to 9 months for airlines, travel agencies, transportation, accommodation, health and social services expenditures and for health product purchase, payments made to clubs and associations, and tax payments. In addition, no

instalments shall apply for expenditures with credit cards relating to direct marketing expenditure, expenditure made abroad, purchases of alcohol drink, cosmetics and office equipment (these items are in addition to expenditures with credit cards relating to telecommunication, food, nutriment, fuel, gift cards, gift checks and other goods not included with purchase of any tangible good or service which had been already not allowed for installments.)

With respect to corporate credit cards, the instalments for the purchase of goods and services and cash withdrawals is again foreseen as 12 months instead of 9 months.

Furthermore, it is set forth with this amendment that the outstanding debt balance of the credit cards calculated as of 27 September 2016, can be split into installments up to 72 months upon the request of the indebted card holder.

### **Amendment on Regulation concerning Loan Transactions of Banks**

Pursuant to the provisional article to the Regulation on Loan Transactions of Banks published in the Official Gazette dated 27 September 2016, the outstanding debt balance of the personal finance loans utilized before 27 September 2016 can be restructured upon the request of the borrower, limited to 72 months (48 months in case of providing additional loan under the restructuring).

### **Amendment on Regulation concerning Principles for Establishment and Operations of Financial Leasing, Factoring and Financing Companies**

Pursuant to the amendments to the Regulation on Principles for Establishment and Operations of Financial Leasing, Factoring and Financing Companies published in the Official Gazette dated 27 September 2016, the outstanding debt balance of the personal finance loans utilized before 27 September 2016 can be restructured upon the request of the borrower, limited to 72 months (48 months in case of providing additional loan under the restructuring).

## Turkish Lira Reserve Requirements

Further to the amendments to the Communiqué regarding Reserve Requirements published in the Official Gazette dated 7 September 2016 and numbered 29824, some of the reserve requirement ratios regarding Turkish Lira liabilities of the banks have been changed. The latest reserve requirement ratios for Turkish Lira are as follows:

Category of Turkish Lira Liabilities	Required Reserve Ratio
<b>1) Deposit/participation accounts (excluding deposit/participation accounts held at foreign banks)</b>	
Demand deposits, notice deposits .....	10.5%
Up to 3 months (including 3 months) .....	10.5%
Up to 6 months (including 6 months) .....	7.5%
Up to 1 year maturity .....	5.5%
With maturities of 1 year and longer .....	4.0%
<b>2) Borrowers' deposit accounts held at development and investment banks*</b> .....	
	10.5%
<b>3) Other liabilities (including deposit/participation accounts held at foreign banks)</b>	
Up to 1 year maturity (including 1 year) .....	10.5%
Up to 3 years maturity (including 3 years) .....	7.0%
Longer than 3 years maturity .....	4.0%

\* Due to laws applicable to the development and investment banks, the amount deposited in such accounts cannot exceed the total outstanding loan amount extended by the relevant development and investment bank to such borrower.

## Cabinet's Decision on Turkey Time Zone

The decision of Cabinet amending Turkey's time zone (the "**Decision**") has been published in the Official Gazette on 8 September 2016.

The Decision is adopted by the Cabinet on 7 September 2016 upon the request of Ministry of Energy and Natural Resources and in accordance with the provision 2 of the Law numbered 697, where the Cabinet is granted with the authorization to apply summer time practice.

According to the Decision, the clause under the former decision of Cabinet dated 14 March 2016 and numbered 8589 regarding the most efficient use of seasonal daylight has been amended through removing the wording of "the clocks to be turned one hour back starting from 30 October 2016". Thus, the summer time practice which has been started to apply as of 27 March 2016 by way of advancing the clocks one hour further from the time observed in the rest of the year, will be sustained for all of the year as applicable for each year.

In light of this amendment, Turkey, which was Coordinated Universal Time ("UTC") +2 for winter and UTC +3 for summer, shall no longer apply East

European time zone, and has now participated in the group who applies UTC +3 as standard time zone for the whole year.

## Legislative Highlights

The Regulation on Procedures and Principles for e-State Services Conduct (the "**Regulation**") has been published in the Official Gazette dated 3 September 2016 by the Ministry of Transportation, Maritime Affairs and Communication.

The Regulation aims to determine the procedures and principles of scope and conduct of e-state services, to contemplate action plans regarding such services and perform the coordination and observance activities.

The Regulation is in relation to *inter alia*, ministries, public entities related to or relevant to ministries, universities, social security institutions, municipalities and companies being more than 50% owned by public entities.

Pursuant to the Regulation, the public entities under the scope of the Regulation, shall conduct their activities regarding the performance of e-state projects and the delivery of e-state services by complying, among others, the following principles:

- (i) being user centered and accessible,
- (ii) saving time and cost,
- (iii) procurement of cyber security,
- (iv) delivery of service as uninterrupted and high quality,
- (v) obeying fundamental rights and freedoms together with taking into account personal data protection principle, and
- (vi) providing ability of payment collection of services.

The Regulation states that the public entities shall built a system where the public entities can collect their receivables through credit cards, bank cards, transfers, EFT or mobile payments. Such system, where the citizens and companies will be able to make all payments regarding public services, will be established within 18 months starting from 3 September 2016.

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Yours faithfully,  
**YAZICILEGAL**