

THE COMMUNIQUÉ ON AMENDMENT OF COMMUNIQUÉ REGARDING DECREE 32 ON THE PROTECTION OF VALUE OF TURKISH CURRENCY

The Communiqué on Amendment of Communiqué numbered 2018-32/48 Regarding Decree 32 on the Protection of Value of Turkish Currency (the “**Communiqué 2018-32/55**”) was published in the Official Gazette No. 30874 on 31 August 2019 and entered into force on the same date.

As it is so known, Communiqué numbered 2018-32/48 Regarding Decree 32 on the Protection of Value of Turkish Currency set forth the requirement to transfer the export amounts to the intermediary bank or bring the export revenues to Turkey. As a general rule, this process must be completed within 180 days, and a minimum of 80% of the export revenues are required to be sold to a bank.

This new Communiqué 2018-32/55 has extended the applicable term of the previous Communiqué outlined above and has ruled that the provisions of the previous Communiqué 2018-32/55 shall be applicable for 18 months (instead of one year) following 4 September 2018.

EXTENDED REGISTRATION PERIOD FOR VERBIS

With the Decision dated 3 September 2019 and numbered 2019/265, the Personal Data Protection Board (the “**Board**”) decided to extend the registration period of the Data Responsible Registry Information System (“**VERBIS**”). This Decision was announced on the website of the Board on 5 September 2019.

The Board had previously announced the dates for which data officers should register with VERBIS with the Decision numbered 2018/88.

Pursuant to this decision, the following data controllers must register with VERBIS by September 30, 2019, at the latest:

- Real or legal person data controllers that have more than 50 employees in a year or an annual balance sheet above TRY 25 million and
- Real or legal data controllers residing abroad.

As per the new Decision of the Board, the deadline for registration with VERBIS has been postponed to 31 December 2019 for data controllers.

The obligation to register is one of the fundamental obligations of the data controllers within the framework of the Personal Data Protection Law. Failure to fulfill this obligation may result in administrative fine of TRY 1,000,000.

AMENDMENTS ON THE FINANCIAL RESTRUCTURING REGULATIONS

The Regulation on the Amendment of the Regulation on the Restructuring of Debts to the Financial Sector was published by the Banking Regulation and Supervision Agency (the “**BRSA**”) in the Official Gazette dated 12 September 2019 dated and 30886 numbered (1. Repeated).

The amendments made by this regulation are to address the provisions of the article 17 of the No: 7186 on the Amendment of Income Tax Law and Certain Laws (“**Law**”) and provisions of Provisional Article 32 which added to the of the No: 5411 Banking Law and “Regulation on the Restructuring of Debts to the Financial Sector” (“**Regulation**”). In this context, the provisions of the Regulation regarding the purpose and scope, basis, definitions and financial restructuring framework agreements were amended.

With the Regulation, banks and financial institutions established abroad that have provided loans directly to borrowers, multilateral banks and organizations that invest directly in Turkey, special purpose entities that established by creditor for debt collection and investment funds established in accordance

with Capital Markets Law No. 6362 for the same purpose were added to "Creditor Institutions" definition . Similarly, the investment partnerships are included in the definition of "Debtor" within the framework of Capital Markets Law No. 6362, as well as the companies established in Turkey has been incorporated under the relevant provision.

One of the amendments made to the Regulation is that the measures for refinancing such as revalidation, installment, collateralization, extension of additional credits taken in a way that will not give the borrower the ability to repay are excluded from the scope of financial restructuring to be executed in accordance with the Regulation and Framework Agreement.

In addition, the restructuring outside the Framework Agreements signed prior to the effective date of the Provisional Article 32 of the Law will not be considered within the framework of the Framework Agreements made in accordance with the Regulation and the agreements drawn up in accordance with these agreements.

THE COMMUNIQUÉ REGARDING THE AMENDMENTS TO THE COMMUNIQUÉ ON PRINCIPLES OF REAL ESTATE INVESTMENT COMPANIES

The Communiqué Regarding the Amendments to the Communiqué on Principles of Real Estate Investment Companies (III-48.1) (the “**Communiqué**”) was published in the Official Gazette No. 30901 on 27 September 2019 and entered into force on the same date. (the “**Amendment Communiqué**”).

With this amendment, the Capital Markets Board (the “**CMB**”) has excluded public institutions/organizations from the restrictions applicable to investment activities by real estate investment companies (the “**REICs**”). Pursuant to the amendment under Article 23/1 (d) of the Communiqué, REICs controlled by public institutions can provide project development, project control, financial feasibility, follow-up of legal permissions and similar services in relation to the projects carried out by public institutions or organizations and their subsidiaries, affiliates and companies with privileged shares.