

CIRCULAR
Issue: 2012/187.eng

Istanbul, 05.09.2012
Ref: 4/187

Topic:

AN ANNOUNCEMENT HAS BEEN PUBLISHED BY THE MINISTRY OF CUSTOMS AND TRADE PERTAINING TO THE ELECTION OF NEW MEMBERS TO REPLACE THE EXISTING MEMBERS PRESENT IN THE BOARDS OF DIRECTORS OF JOINT STOCK COMPANIES AS REPRESENTATIVES OF LEGAL ENTITIES.

The Ministry of Customs and Trade has published an announcement dated August 10, 2012 on the election of new members to replace the existing members present in the boards of directors of joint stock companies as representatives of legal entities.

You can find the text of the announcement in question attached to our circular.

Best Regards,

**DENGE DENETİM YEMİNLİ
MALİ MÜŞAVİRLİK A.Ş.**

APPENDIX:

The announcement of the Ministry of Customs and Trade dated August 10, 2012 on the election of new members to replace the existing members present in the boards of directors of joint stock companies as representatives of legal entities.

(*) The explanations included in our circulars are for informational purposes only. We recommend that you consult opinions and support of a counselor expert in their field prior to taking certain actions on issues of hesitancy. Our counselor shall not be liable for the damages arising from actions taken only on the basis of the explanations included in our circulars.

(**) You can write your opinions, review, and questions to our experts with contact information given below.

Erkan YETKİNER

CPA

Mazars / Denge Tax Department, Partner

eyetkiner@mazarsdenge.com.tr

Guray OGREDİK

CPA

Mazars / Denge Tax Department, Senior Manager

gogredik@mazarsdenge.com.tr

The Announcement on the Election of New Members to Replace the Existing Members Present in the Boards of Directors of Joint Stock Companies as Representatives of Legal Entities

With the Article 359 of the Turkish Commercial Code No. 6102 entered into force on July 01, 2012, it is decreed that legal entities are able to be a member of the board of directors and a natural person shall be registered together with the legal entity.

On the other hand, in accordance with the Article 25 of the Law No. 6103 on Enforcement and Execution of Turkish Commercial Code, natural persons elected as the representatives of legal entities in the boards of directors of joint stock companies shall resign within three months from the date of entry into force of the Turkish Commercial Code No. 6102, i.e., until October 01, 2012, and legal entities themselves or someone else shall be elected in their place.

In this regard, in accordance with Article 25 of Law No. 6103, it is possible to elect new members for the places vacant due to resignation from the Board of Directors by the General Assembly or to appoint a new member by the remaining members of the board of directors in accordance with Article 363 of Law No. 6102.

However, in joint stock companies where all or the majority of the members of the board of directors are composed of representatives of legal entity shareholders, the members in question shall resign at different times so that the quorum of the board of directors is not lost and the new members to be elected in the places of existing members shall be registered to ensure compliance with the Law.

To the attention of the public.